

# UCH BoD Finance Committee Meeting (OPEN SESSION)

Aug 20, 2020 10:15 AM - 11:15 AM PDT

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**UNIVERSITY OF CALIFORNIA  
HASTINGS COLLEGE OF THE LAW  
BOARD OF DIRECTORS  
FINANCE COMMITTEE  
MINUTES OF MAY 14, 2020 MEETING – OPEN SESSION**

Due to the COVID-19 pandemic and the Shelter-in-Place order by the City and County of San Francisco, the meeting was held virtually, via the Zoom video conferencing platform. Participants and members of the public were able to join the meeting via the web link or dial-in numbers listed in the public notice of this meeting. The public notice of this meeting is available at [https://repository.uchastings.edu/board\\_materials\\_2020/35/](https://repository.uchastings.edu/board_materials_2020/35/).

1. Roll Call

The Chair called the meeting to order at 10:30 a.m., and the Secretary called the roll.

Committee Members Present

Director Tom Gede, Chair  
Director Andrew Giacomini  
Director Claes Lewenhaupt  
Director Chip Robertson  
Director Albert Zecher

Members Absent:

Director Courtney Power

Other Directors Present:

Director Mary Noel Pepys

Staff Participating

Chancellor & Dean David Faigman  
Provost & Academic Dean Morris Ratner  
Chief Financial Officer David Seward  
General Counsel & Secretary to the Board John DiPaolo  
Executive Director of Operations Rhiannon Bailard  
Director of Financial Operations Carol Cole  
Chief Development Officer Eric Dumbleton  
Assistant Chancellor & Dean/Chief of Staff to the Chancellor & Dean Jenny Kwon  
Associate Director of Fiscal Services Stacey Navins  
Controller Sandra Plenski  
Director of Construction Management David Seth

\*Action Item

Program Director, UC PATH Deborah Tran  
Associate General Counsel Laura Wilson-Youngblood

Other Participating

Eric Wersching, President of Hastings Foundation

2. Public Comment

The Chair invited public comment. No member of the public offered comment.

3. Approval of Minutes - February 27, 2020

The Chair called for a motion to approve the minutes. Upon motion made and seconded, the minutes were approved.

\*4. Report of the Subcommittee on Audit and Approval of the 2020 Audit Plan

Chief Financial Officer David Seward reported that the Subcommittee on Audit met with the College's auditors, Moss Adams, in late April to discuss the audit work plan and scope. He said he is expecting a smooth audit, and noted that there were no findings in the prior year. Controller Sandy Plenski noted that this year much of the audit will be virtual due to the shelter-in-place. Director Lewenhaupt, Chair of the Subcommittee on Audit, noted that the auditors are the Board's eyes and ears, so if there is anything additional the Board wants to see, members should let the subcommittee and the Auditors know. It was noted that Ms. Plenski has overseen a transition from paper filing to electronic records, making the process easier for auditors.

The Chair called for a motion to approve the audit plan. Upon motion made and seconded, the audit plan was approved.

5. Investment Report as of February 29, 2020

Mr. Seward reported that, as of February 29, the General Endowment Pool experienced total returns of 3.27 percent for the fiscal year and a return of -2.43 percent for the calendar year. The Short Term Investment Pool experienced total returns of 1.2 percent for the fiscal year and .28 percent for the calendar year. As of March 31, 2020, all invested College funds had declined by 3.5 percent for the fiscal year.

6. State Budget Report for 2019-20 as of March 31, 2020

Mr. Seward stated that as of March 31 the College was on target with its budget, but that unrealized gains have now disappeared. The College is spending additional money on security, street cleaning, and Covid response. There will be an effort to recover some costs through emergency FEMA funding. He anticipated some savings on salary costs, commencement and travel.

7. Auxiliary Enterprises Budget Report as of March 31, 2020

Mr. Seward stated he anticipated an approximately \$700,000 drop in McAllister Tower revenues against expectations due to 55 percent of tenants electing to terminate their leases early; revenue erosion at the parking garage of approximately \$500,000; and a loss of \$50,000 on the

\*Action Item

College's four commercial leases. Responding to a question, General Counsel & Secretary John DiPaolo indicated the College would begin to pay the city's parking tax in June and start charging the city for administrative costs in January 2021. Mr. Seward projected that in total auxiliary revenues would be down by \$1.3 million for the year. Mr. Seward stated he was reaching out to Berkeley, University of the Pacific, and other universities to see if they had interest in units in the Tower.

8. State Budget Update and Strategic Plan for 2020-2021

Mr. Seward stated that the May Revision of the Governor's January budget proposal was expected to rescind the anticipated \$1.4 million increase to the College and further reduce the allocation by 10% or \$1.5 million. Mr. Seward said he expected the College's deficit in FY 20 to be around \$3.8 million instead of \$4.4 million. The wind-down of tuition discounting was to mean that next year would be the last of the deficit, at \$2.6 million. However, this was predicated on assumption that the Governor's January budget was solid, and of course there was no expectation of COVID losses. Now the College needs to find an additional \$2.9 million to balance the budget for core operations in the upcoming year. In past the College has relied on auxiliary revenue to support the deficit, but cannot now, so there is a total of \$5.5 million that needs to be cut.

\*9. State Contracts and Grants in Excess of \$50,000

Mr. Seward presented the following contracts for approval:

- \*9.1 Moving Services - Chipman Relocation & Logistics - Amended
- \*9.2 Low Voltage Wiring Services – LR Telecom – Kane Hall
- \*9.3 Construction Services – Roebuck – Amendments - Kane Hall
- \*9.4 AV & Instructional Tech - Avidex Industries – Kane Hall, 1<sup>st</sup> Floor
- \*9.5 Furniture Purchase – One Workplace – Kane Hall, 1<sup>st</sup> Floor
- \*9.6 Marketing – MF Digital Marketing - MSL/LLM Marketing
- \*9.7 Security Services – Secure Pros – Amendment
- \*9.8 Database Software - Fundraising Enhancements - Advancement
- \*9.9 UCSF Police – Extra 10(b) Officer Coverage - Amendment

Mr. Seward noted the College is winding down the construction and renovation process at 200 McAllister and 333 Golden Gate. He stated that the services under contracts listed at 9.7 and 9.9 were helping keep tents off of Hastings frontage. Contract 9.8 consolidates fundraising software resulting in a net saving of money.

The Chair called for a motion to recommend that the Board approve the listed contracts. Upon motion made and seconded, the resolution was adopted.

\*10. Nonstate Contracts and Grants in Excess of \$50,000

Mr. Seward presented the following contracts:

- \*10.1 Data Purchase – Dept. of Health & Human Services – Innovation
- \*10.2 Professional Service – Cynthia Calvert – WorkLife Law
- \*10.3 Painting Services - Migale Painting Company– Tower Offices
- \*10.4 Grant – Novo Foundation – WorkLife Law

\*Action Item



- \*10.5 Grant - Commonwealth Fund - Center for Innovation
- \*10.6 Professional Services – Advantage Infrastructures – LRCP

Mr. Seward said he was not requesting approval of contract 10.6, as the search for infrastructure funding did not make sense in the current environment.

The Chair called for a motion to recommend that the Board approve contracts 10.1 to 10.5. Upon motion made and seconded, those contracts were approved.

11. Nonstate Budget Changes - Long Range Campus Plan

Mr. Seward stated that internally-funded LRCP activities were well under way. He noted the plan had been for the financial close of the 198 McAllister project to be in June, and had that happened, the College would have been reimbursed for expense costs. Now, it will not get those \$620,000 in reimbursements this fiscal year; rather, they will likely come in August. He said the 333 Golden Gate initial budget is predicated on the assumption of \$2.6 million in gift revenue. As of March 31, the cash was lower, although the College has pledged amounts.

\*12. Auxiliary Enterprises Proposed Budget 2020-21

Mr. Seward presented the budget with an aggregate overhead of \$1.028 million. He stated that Tower revenue included a reduction of 20% of residential revenue (based on the rent increase approved by board in March less 20% vacancy rate), equaling about a \$1 million loss. He noted there was a parking rate increase effective June 1. He said the retail lease number assumes no further rent abatements. He said he thinks parking revenue will be okay in the coming year because people will avoid public transit.

The Chair called for a motion to recommend that the Board approve the proposed auxiliary enterprises budget. Upon motion made and seconded, the resolution was adopted.

\*13. Core Operations - Budget Preauthorization for 2020-21

Mr. Seward requested the Committee vote on 13.1, \$500,000 for instructional technology in Kane Hall, only.

The Chair called for a motion to recommend that the Board approve item 13.1. Upon motion made and seconded, the resolution was adopted.

\*14. Student Enrollment and Miscellaneous Fees for 2020-21

- \*14.1 Increase for Student Health Center
- \*14.2 Increase for UC Students Health Insurance Program
- \*14.3 Continuation of Freeze on General Enrollment and Other Fees

Mr. Seward presented the above listed fees.

The Chair called for a motion to recommend that the Board approve the listed fees. Upon motion made and seconded, the resolution was adopted.

\*Action Item

15. UCPATH Payroll Project - Project Update

Program Director, UC PATH Deborah Tran reported that the system has been live for three months. She stated that the UC Path Center leadership and staff were working well with the College. She stated she believed UC PATH was providing improved services to staff and increased levels of technology and security. She noted that UC had contributed \$1 million in services for the project, so the College's overall investment was only about \$40,000. Ms. Tran suggested that the HR Director, Controller, and CFO form a committee to manage UCPATH going forward.

16. 333 Golden Gate Replacement Academic Building - Project Update

Mr. Seward stated the 333 building was complete, fully permitted and successfully financed as of the end of April. The cost of capital was 2.4-2.5 percent. Mr. Seward explained that the Department of Finance funds costs overruns that don't exceed more than 10 percent of project cost, so any overrun by the contractor would be the State of California's responsibility.

17. Campus Housing Project – Housing Grant Applications - Project Update

Mr. Seward stated that grant applications had been made to Google and Apple for support of housing operations, and that the College was looking at other options as well.

18. Listing of Checks and Electronic Transfers over \$50,000

Mr. Seward presented the list of checks and electronic transfers over \$50,000.

19. Closed Session

The Committee adjourned to closed session to consider the items listed on the Closed Session Agenda.

\*20. Adjournment

The Chair adjourned the open session at 11:57 a.m.

Respectfully submitted,

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John K. DiPaolo, Secretary

## REPORT ITEM

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Investment Report as of May 31, 2020
3. **REPORT:**

UC Hastings follows the investment philosophy of the University of California and invests excess cash and long-term investments – endowments and operating reserves – in the General Endowment Pool ("GEP") managed by the Office of the Treasurer. Cash needed for near term liquidity needs is allocated to the Short Term Investment Pool (STIP).

- **Invested Funds**

Investment fund balances held by the University of California are displayed below:

	<u>As of 6-30-2019</u>	<u>As of 6-30-2020</u>	<u>Percent Change</u>
Hastings Endowment Fund (GEP)	\$35,984,182	\$36,416,639	1.2%
Hastings Operating Fund (GEP)	42,970,711	45,130,838	5.0%
Endowed Funds Held by Regents (GEP-7)	8,667,293	8,789,835	1.4%
Hastings Operations – STIP	<u>5,974,350</u>	<u>7,780,835</u>	<u>4.2%</u>
Total	\$93,596,536	\$98,117,769	4.8%

- **Total Return**

As of June 30, 2020, total return for the GEP was 5.03%. Displayed below are multi-year average annual returns and those of the policy benchmarks adopted by the Regents' Investment Committee:

### AVERAGE ANNUAL RETURNS – GEP

	<u>3 Months</u>	<u>FYTD 6/30/20</u>	<u>CYTD 6/30/20</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
TOTAL FUND	9.43	5.03	-0.77	7.35	6.35	8.77
GEP Policy Benchmark	12.05	2.96	-2.85	5.71	5.47	7.15

The Short Term Investment Pool (STIP) had a Fiscal Year To-date return of 1.70%.

Attached is the monthly report from the Chief Investment Officer of the Regents showing rates of return for the period ending June 30, 2020.

## Attachments

- GEP, STIP Unit Value Return Summary Report – Period Ending June 30, 2020

# Chief Investment Officer of the Regents

RATES OF RETURN - Unit Value

Periods Ending June 30, 2020

GEP STIP UNIT VALUE RETURN SUMMARY REPORT



	Account ID	EMV	1 Month	3 Month	6 Month	FYTD	CYTD	1 Year	3 Year	5 Year	10 Year
<b>TOTAL FUND</b>											
GEP Unit Value Audit Adjusted	EBKAG1UB	14,012,171,085	3.71	9.43	-0.77	5.03	-0.77	5.03	7.35	6.55	8.77
<i>GEP TOTAL PORTFOLIO BM AUDIT ADJUSTED</i>	<i>REG44B</i>		2.28	12.50	-2.85	2.96	-2.85	2.96	5.71	5.47	7.15
Excess			1.43	-3.07	2.08	2.07	2.08	2.07	1.65	1.07	1.62
GEP TOTAL US PUBLIC EQUITIES	EBKGEP4	2,157,620,687	2.72	22.51	-0.40	11.76	-0.40	11.76	6.48	5.50	11.49
<i>U.S. EQUITY B-MARK R3000 TF</i>	<i>REG5N</i>		2.31	22.20	-3.39	6.63	-3.39	6.63	10.28	10.09	13.72
Excess			0.41	0.31	2.99	5.12	2.99	5.12	-3.80	-4.59	-2.23
GEP TOTAL NON-US PUBLIC EQUITIES + EQ	EBKGEP5	1,230,688,530	5.57	20.05	-1.47	5.02	-1.47	5.02	8.94	7.21	7.80
<i>NON-US EQUITIES POLICY BENCHMARK</i>	<i>REG13</i>		4.52	16.12	-11.00	-4.80	-11.00	-4.80	1.13	2.26	4.97
Excess			1.05	3.93	9.53	9.82	9.53	9.82	7.80	4.95	2.83
GEP DEVELOPED NON US PUBLIC EQUITY	EBKGEP20	603,243,272	2.99	20.20	-5.43	4.26	-5.43	4.26	5.95	5.70	7.70
<i>BLENDED EAFE TF + CANADA INDEX</i>	<i>REG9</i>		3.48	15.39	-11.52	-5.55	-11.52	-5.55	1.03	2.09	5.42
Excess			-0.49	4.81	6.08	9.81	6.08	9.81	4.92	3.61	2.27
GEP EMERGING MARKET EQUITY	EBGEPEME	627,445,258	8.18	19.89	2.69	5.90	2.69	5.90	11.87	8.89	7.23
<i>EMERGING MARKETS EQUITY POLICY BENCHMARK</i>	<i>REG12</i>		7.35	18.08	-9.78	-3.39	-9.78	-3.39	1.90	2.86	3.27
Excess			0.83	1.81	12.47	9.29	12.47	9.29	9.97	6.03	3.95
GEP GLOBAL EQUITY	EBGEPTGE	2,607,809,160	3.62	20.50	-5.62	3.46	-5.62	3.46	5.61	5.57	
<i>MSCI ACWI IMI ex Tobacco</i>	<i>MSI66NUS</i>		3.23	19.95	-7.01	1.21	-7.01	1.21	5.75	6.17	
Excess			0.39	0.55	1.38	2.25	1.38	2.25	-0.14	-0.60	
GEP TOTAL FIXED INCOME W/ TIPS & DOLLAR	EBKGEP19	556,985,600	2.91	3.34	3.37	5.91	3.37	5.91	4.78	4.27	4.66
<i>BBG BARC Agg (Dly)</i>	<i>XSLD</i>		0.63	2.90	6.14	8.74	6.14	8.74	5.32	4.30	3.82
Excess			2.28	0.44	-2.76	-2.83	-2.76	-2.83	-0.55	-0.04	0.83

# Chief Investment Officer of the Regents

RATES OF RETURN - Unit Value

Periods Ending June 30, 2020



## GEP STIP UNIT VALUE RETURN SUMMARY REPORT

	Account ID	EMV	1 Month	3 Month	6 Month	FYTD	CYTD	1 Year	3 Year	5 Year	10 Year
GEP TOTAL CORE FIXED INCOME	EBKGEP43	225,232,783	0.03	0.38	4.12	6.11	4.12	6.11	4.03	2.96	3.36
UCR BBG BARC Agg (Dly)	REG35		0.63	2.90	6.14	8.74	6.14	8.74	5.32	3.91	3.63
Excess			-0.60	-2.52	-2.02	-2.63	-2.02	-2.63	-1.29	-0.95	-0.27
GEP HIGH YIELD	EBKGEP24	251,135,040	6.17	2.35	-1.60	2.37	-1.60	2.37	4.47	5.19	7.08
UCR BBG BARC Agg (Dly)	REG170		0.63	2.90	6.14	8.74	6.14	8.74	5.32	6.02	7.19
Excess			5.54	-0.55	-7.74	-6.37	-7.74	-6.37	-0.85	-0.83	-0.11
GEP EMERGING MARKET DEBT	EBKGEP25	0									
UCR BBG BARC Agg (Dly)	REG59N		0.63								
Excess											
GEP OPPORTUNISTIC FI	EBKGEP50	80,617,778	2.17	3.50	4.78	8.23	4.78	8.23	5.53		
BBG BARC Agg (Dly)	XSLD		0.63	2.90	6.14	8.74	6.14	8.74	5.32		
Excess			1.54	0.61	-1.36	-0.51	-1.36	-0.51	0.21		
GEP TOTAL PRIVATE EQUITY	EBK5AT	2,365,013,709	10.86	9.26	10.96	21.90	10.96	21.90	23.96	21.43	19.46
GEP PRIVATE EQUITY POLICY BENCHMARK	REG32		2.46	22.64	-2.51	8.70	-2.51	8.70	11.77	14.12	15.81
Excess			8.39	-13.38	13.46	13.20	13.46	13.20	12.18	7.31	3.65
GEP AR - DIV - UNIT RETURN	EB7D	3,105,709,582	1.83	6.28	-5.26	-1.39	-5.26	-1.39	3.99	2.31	4.93
GEP Absolute Return Benchmark	REG17		1.59	7.48	-1.97	-0.12	-1.97	-0.12	2.12	-0.33	0.53
Excess			0.24	-1.20	-3.28	-1.27	-3.28	-1.27	1.88	2.64	4.39
GEP REAL ASSETS	EB7S	701,644,278	8.28	5.22	7.00	9.27	7.00	9.27	7.00	2.25	2.48
GEP REAL ASSETS LAGGED BENCHMARK	REG100		8.28	5.22	7.00	9.27	7.00	9.27	7.00	2.25	2.48
Excess			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

# Chief Investment Officer of the Regents

RATES OF RETURN - Unit Value

Periods Ending June 30, 2020



## GEP STIP UNIT VALUE RETURN SUMMARY REPORT

	Account ID	EMV	1 Month	3 Month	6 Month	FYTD	CYTD	1 Year	3 Year	5 Year	10 Year
GEP TOTAL REAL ESTATE	EBKGEPRE	984,152,745	-1.51	-3.43	-0.78	-0.01	-0.78	-0.01	5.51	7.16	10.73
GEP PRIVATE RE POLICY BENCHMARK	REG47		0.25	0.75	2.03	3.93	2.03	3.93	5.85	7.48	10.81
Excess			-1.76	-4.19	-2.81	-3.94	-2.81	-3.94	-0.34	-0.31	-0.09
GEP PRIVATE REAL ESTATE	EBKGEPRP	984,152,745	-1.51	-3.43	-0.78	-0.01	-0.78	-0.01	5.51	7.16	10.86
GEP PRIVATE RE POLICY BENCHMARK	REG47		0.25	0.75	2.03	3.93	2.03	3.93	5.85	7.48	10.81
Excess			-1.76	-4.19	-2.81	-3.94	-2.81	-3.94	-0.34	-0.31	0.05
GEP LIQUIDITY	EBKGEP47	302,532,680	0.29	0.38	0.72	1.53	0.72	1.53	2.11	1.71	1.90
ICE BofA Curr 2 Yr US TSY (Inc Ret Only)	VAX		0.01	0.13	0.49	1.35	0.49	1.35	1.90	1.49	0.92
Excess			0.28	0.25	0.23	0.18	0.23	0.18	0.21	0.22	0.98
<b>STIP</b>											
STIP - UNIT RETURN	EBJ8U	11,804,009,933	0.07	0.28	0.69	1.70	0.69	1.70	1.89	1.63	1.82
STIP POLICY	REG83		0.01	0.07	0.45	1.34	0.45	1.34	1.78	1.32	0.81
Excess			0.06	0.21	0.24	0.36	0.24	0.36	0.11	0.31	1.01
<b>PLANNED GIVING</b>											
PG FIXED INCOME POOL	EBT1	30,036,128	0.34	2.16	5.04	7.42	5.04	7.42	4.86	4.22	4.32
BBG BARC Agg Bd	XSL		0.63	2.90	6.14	8.74	6.14	8.74	5.32	4.30	3.82
Excess			-0.29	-0.73	-1.10	-1.32	-1.10	-1.32	-0.46	-0.08	0.50
PG EAFE STATE ST INTL INDEX FUND	EBT4A1	8,775,023	3.38	16.47	-11.09	-4.44	-11.09	-4.44	1.39	2.45	5.83
BLENDED EAFE TF + CANADA INDEX	REG9		3.48	15.39	-11.52	-5.55	-11.52	-5.55	1.03	2.09	5.42
Excess			-0.09	1.08	0.43	1.11	0.43	1.11	0.36	0.36	0.41
PG RUSSELL 3000 INDEX FUND	EBT4A2	30,498,720	2.34	22.18	-3.46	6.62	-3.46	6.62	10.41	10.29	13.91
U.S. EQUITY B-MARK R3000 TF	REG5N		2.31	22.20	-3.39	6.63	-3.39	6.63	10.28	10.09	13.72
Excess			0.03	-0.01	-0.07	-0.01	-0.07	-0.01	0.13	0.20	0.18

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## REPORT ITEM

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Investment Report as of June 20, 2020
3. **REPORT:**

UC Hastings follows the investment philosophy of the University of California and invests excess cash and long-term investments – endowments and operating reserves – in the General Endowment Pool ("GEP") managed by the Office of the Treasurer. Cash needed for near term liquidity needs is allocated to the Short Term Investment Pool (STIP).

- **Invested Funds**

Investment fund balances held by the University of California are displayed below:

	<u>As of 6-30-2019</u>	<u>As of 6-30-2020</u>	<u>Percent Change</u>
Hastings Endowment Fund (GEP)	\$35,984,182	\$36,416,639	1.2%
Hastings Operating Fund (GEP)	42,970,711	45,130,838	5.0%
Endowed Funds Held by Regents (GEP-7)	8,667,293	8,789,835	1.4%
Hastings Operations – STIP	<u>5,974,350</u>	<u>7,780,835</u>	<u>4.2%</u>
Total	\$93,596,536	\$98,117,769	4.8%

- **Total Return**

As of June 30, 2020, total return for the GEP was 5.03%. Displayed below are multi-year average annual returns and those of the policy benchmarks adopted by the Regents' Investment Committee:

### AVERAGE ANNUAL RETURNS – GEP

	<u>3 Months</u>	<u>FYTD 6/30/20</u>	<u>CYTD 6/30/20</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
TOTAL FUND	9.43	5.03	-0.77	7.35	6.35	8.77
GEP Policy Benchmark	12.05	2.96	-2.85	5.71	5.47	7.15

The Short Term Investment Pool (STIP) had a Fiscal Year To-date return of 1.70%.

Attached is the monthly report from the Chief Investment Officer of the Regents showing rates of return for the period ending June 30, 2020.

## Attachments

- GEP, STIP Unit Value Return Summary Report – Period Ending June 30, 2020



# Chief Investment Officer of the Regents

RATES OF RETURN - Unit Value

Periods Ending June 30, 2020

GEP STIP UNIT VALUE RETURN SUMMARY REPORT



	Account ID	EMV	1 Month	3 Month	6 Month	FYTD	CYTD	1 Year	3 Year	5 Year	10 Year
<b>TOTAL FUND</b>											
GEP Unit Value Audit Adjusted	EBKAG1UB	14,012,171,085	3.71	9.43	-0.77	5.03	-0.77	5.03	7.35	6.55	8.77
<i>GEP TOTAL PORTFOLIO BM AUDIT ADJUSTED</i>	<i>REG44B</i>		2.28	12.50	-2.85	2.96	-2.85	2.96	5.71	5.47	7.15
Excess			1.43	-3.07	2.08	2.07	2.08	2.07	1.65	1.07	1.62
GEP TOTAL US PUBLIC EQUITIES	EBKGEP4	2,157,620,687	2.72	22.51	-0.40	11.76	-0.40	11.76	6.48	5.50	11.49
<i>U.S. EQUITY B-MARK R3000 TF</i>	<i>REG5N</i>		2.31	22.20	-3.39	6.63	-3.39	6.63	10.28	10.09	13.72
Excess			0.41	0.31	2.99	5.12	2.99	5.12	-3.80	-4.59	-2.23
GEP TOTAL NON-US PUBLIC EQUITIES + EQ	EBKGEP5	1,230,688,530	5.57	20.05	-1.47	5.02	-1.47	5.02	8.94	7.21	7.80
<i>NON-US EQUITIES POLICY BENCHMARK</i>	<i>REG13</i>		4.52	16.12	-11.00	-4.80	-11.00	-4.80	1.13	2.26	4.97
Excess			1.05	3.93	9.53	9.82	9.53	9.82	7.80	4.95	2.83
GEP DEVELOPED NON US PUBLIC EQUITY	EBKGEP20	603,243,272	2.99	20.20	-5.43	4.26	-5.43	4.26	5.95	5.70	7.70
<i>BLENDED EAFE TF + CANADA INDEX</i>	<i>REG9</i>		3.48	15.39	-11.52	-5.55	-11.52	-5.55	1.03	2.09	5.42
Excess			-0.49	4.81	6.08	9.81	6.08	9.81	4.92	3.61	2.27
GEP EMERGING MARKET EQUITY	EBGEPEME	627,445,258	8.18	19.89	2.69	5.90	2.69	5.90	11.87	8.89	7.23
<i>EMERGING MARKETS EQUITY POLICY BENCHMARK</i>	<i>REG12</i>		7.35	18.08	-9.78	-3.39	-9.78	-3.39	1.90	2.86	3.27
Excess			0.83	1.81	12.47	9.29	12.47	9.29	9.97	6.03	3.95
GEP GLOBAL EQUITY	EBGEPTGE	2,607,809,160	3.62	20.50	-5.62	3.46	-5.62	3.46	5.61	5.57	
<i>MSCI ACWI IMI ex Tobacco</i>	<i>MSI66NUS</i>		3.23	19.95	-7.01	1.21	-7.01	1.21	5.75	6.17	
Excess			0.39	0.55	1.38	2.25	1.38	2.25	-0.14	-0.60	
GEP TOTAL FIXED INCOME W/ TIPS & DOLLAR	EBKGEP19	556,985,600	2.91	3.34	3.37	5.91	3.37	5.91	4.78	4.27	4.66
<i>BBG BARC Agg (Dly)</i>	<i>XSLD</i>		0.63	2.90	6.14	8.74	6.14	8.74	5.32	4.30	3.82
Excess			2.28	0.44	-2.76	-2.83	-2.76	-2.83	-0.55	-0.04	0.83

# Chief Investment Officer of the Regents

RATES OF RETURN - Unit Value

Periods Ending June 30, 2020



## GEP STIP UNIT VALUE RETURN SUMMARY REPORT

	Account ID	EMV	1 Month	3 Month	6 Month	FYTD	CYTD	1 Year	3 Year	5 Year	10 Year
GEP TOTAL CORE FIXED INCOME	EBKGEP43	225,232,783	0.03	0.38	4.12	6.11	4.12	6.11	4.03	2.96	3.36
UCR BBG BARC Agg (Dly)	REG35		0.63	2.90	6.14	8.74	6.14	8.74	5.32	3.91	3.63
Excess			-0.60	-2.52	-2.02	-2.63	-2.02	-2.63	-1.29	-0.95	-0.27
GEP HIGH YIELD	EBKGEP24	251,135,040	6.17	2.35	-1.60	2.37	-1.60	2.37	4.47	5.19	7.08
UCR BBG BARC Agg (Dly)	REG170		0.63	2.90	6.14	8.74	6.14	8.74	5.32	6.02	7.19
Excess			5.54	-0.55	-7.74	-6.37	-7.74	-6.37	-0.85	-0.83	-0.11
GEP EMERGING MARKET DEBT	EBKGEP25	0									
UCR BBG BARC Agg (Dly)	REG59N		0.63								
Excess											
GEP OPPORTUNISTIC FI	EBKGEP50	80,617,778	2.17	3.50	4.78	8.23	4.78	8.23	5.53		
BBG BARC Agg (Dly)	XSLD		0.63	2.90	6.14	8.74	6.14	8.74	5.32		
Excess			1.54	0.61	-1.36	-0.51	-1.36	-0.51	0.21		
GEP TOTAL PRIVATE EQUITY	EBK5AT	2,365,013,709	10.86	9.26	10.96	21.90	10.96	21.90	23.96	21.43	19.46
GEP PRIVATE EQUITY POLICY BENCHMARK	REG32		2.46	22.64	-2.51	8.70	-2.51	8.70	11.77	14.12	15.81
Excess			8.39	-13.38	13.46	13.20	13.46	13.20	12.18	7.31	3.65
GEP AR - DIV - UNIT RETURN	EB7D	3,105,709,582	1.83	6.28	-5.26	-1.39	-5.26	-1.39	3.99	2.31	4.93
GEP Absolute Return Benchmark	REG17		1.59	7.48	-1.97	-0.12	-1.97	-0.12	2.12	-0.33	0.53
Excess			0.24	-1.20	-3.28	-1.27	-3.28	-1.27	1.88	2.64	4.39
GEP REAL ASSETS	EB7S	701,644,278	8.28	5.22	7.00	9.27	7.00	9.27	7.00	2.25	2.48
GEP REAL ASSETS LAGGED BENCHMARK	REG100		8.28	5.22	7.00	9.27	7.00	9.27	7.00	2.25	2.48
Excess			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

# Chief Investment Officer of the Regents

RATES OF RETURN - Unit Value

Periods Ending June 30, 2020



## GEP STIP UNIT VALUE RETURN SUMMARY REPORT

	Account ID	EMV	1 Month	3 Month	6 Month	FYTD	CYTD	1 Year	3 Year	5 Year	10 Year
GEP TOTAL REAL ESTATE	EBKGEPRE	984,152,745	-1.51	-3.43	-0.78	-0.01	-0.78	-0.01	5.51	7.16	10.73
GEP PRIVATE RE POLICY BENCHMARK	REG47		0.25	0.75	2.03	3.93	2.03	3.93	5.85	7.48	10.81
Excess			-1.76	-4.19	-2.81	-3.94	-2.81	-3.94	-0.34	-0.31	-0.09
GEP PRIVATE REAL ESTATE	EBKGEPRP	984,152,745	-1.51	-3.43	-0.78	-0.01	-0.78	-0.01	5.51	7.16	10.86
GEP PRIVATE RE POLICY BENCHMARK	REG47		0.25	0.75	2.03	3.93	2.03	3.93	5.85	7.48	10.81
Excess			-1.76	-4.19	-2.81	-3.94	-2.81	-3.94	-0.34	-0.31	0.05
GEP LIQUIDITY	EBKGEP47	302,532,680	0.29	0.38	0.72	1.53	0.72	1.53	2.11	1.71	1.90
ICE BofA Curr 2 Yr US TSY (Inc Ret Only)	VAX		0.01	0.13	0.49	1.35	0.49	1.35	1.90	1.49	0.92
Excess			0.28	0.25	0.23	0.18	0.23	0.18	0.21	0.22	0.98
<b>STIP</b>											
STIP - UNIT RETURN	EBJ8U	11,804,009,933	0.07	0.28	0.69	1.70	0.69	1.70	1.89	1.63	1.82
STIP POLICY	REG83		0.01	0.07	0.45	1.34	0.45	1.34	1.78	1.32	0.81
Excess			0.06	0.21	0.24	0.36	0.24	0.36	0.11	0.31	1.01
<b>PLANNED GIVING</b>											
PG FIXED INCOME POOL	EBT1	30,036,128	0.34	2.16	5.04	7.42	5.04	7.42	4.86	4.22	4.32
BBG BARC Agg Bd	XSL		0.63	2.90	6.14	8.74	6.14	8.74	5.32	4.30	3.82
Excess			-0.29	-0.73	-1.10	-1.32	-1.10	-1.32	-0.46	-0.08	0.50
PG EAFE STATE ST INTL INDEX FUND	EBT4A1	8,775,023	3.38	16.47	-11.09	-4.44	-11.09	-4.44	1.39	2.45	5.83
BLENDED EAFE TF + CANADA INDEX	REG9		3.48	15.39	-11.52	-5.55	-11.52	-5.55	1.03	2.09	5.42
Excess			-0.09	1.08	0.43	1.11	0.43	1.11	0.36	0.36	0.41
PG RUSSELL 3000 INDEX FUND	EBT4A2	30,498,720	2.34	22.18	-3.46	6.62	-3.46	6.62	10.41	10.29	13.91
U.S. EQUITY B-MARK R3000 TF	REG5N		2.31	22.20	-3.39	6.63	-3.39	6.63	10.28	10.09	13.72
Excess			0.03	-0.01	-0.07	-0.01	-0.07	-0.01	0.13	0.20	0.18

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## REPORT ITEM

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** State Budget Report – Preliminary 2019-20 Year-end
3. **REPORT:**

Attached is the preliminary year-end State budget report for 2019-20. Audited 2019-20 data will be presented in the college-wide *Financial Statements and Independent Auditors' Report* to be prepared by the College's auditors.

### Revenues

- Unrealized Gain/Loss on Investments – In 2019-20 the State's share of the change in market value of UC-GEP investments were unrealized gains at \$1,329,171. In 2018-19 unrealized gains of \$1,871,073 were recognized.

### Expenses

- Salaries and Wages – The 2019-20 midyear revised budget was \$25.8 million and actual expenses at \$26.3 million exceed this by \$456,000. Subsequent to revising the budget at midyear a collective bargaining agreement was reached with AFSCME including lump sum and retroactive pay adjustments to represented staff totaling \$341,834. Additionally, payout 6/30/20 of accrued leave balances to five employees retiring totaled \$102,000.
- Audit, Legal and Case Costs – Actual expenditures at \$324,000 exceed the projected \$263,500. Of the total \$60,000 variance, \$24,000 provided legal support to General Counsel and \$35,500 provided additional audit support.
- Data Processing – Included in the actual 2019-20 expenditures of \$448,345 is \$106,731 in UCPath Project implementation costs that were prepaid in prior years. The 2019-20 cost of the prior UC payroll services were \$57,415 July 2019-March 2020 and the new UCPath system annual cost was \$271,198.
- Perkins Loan Matching Funds – Subsequent to discontinuation of the federal Perkins Student Loan Program a return of prior Hastings contributions from state funds at \$1,369,000 was posted.

### **Attachments:**

- State Budget Report 2019-20 Preliminary

HASTINGS COLLEGE OF THE LAW  
State Budget Report -- 2019-20

8/11/2020

<b>REVENUES</b>	<b>Beginning Budget 2019-20</b>	<b>Midyear Revised Budget 2019-20</b>	<b>Preliminary Year-end Actual 2019-20</b>	<b>Preliminary Actual as a Percent of Midyear Revised Budget</b>	<b>Year-end Actual 2018-19</b>
<b>State Appropriations</b>					
General Fund	16,328,000	16,328,000	16,328,000	100%	19,769,000
Lottery Fund	<u>147,000</u>	<u>147,000</u>	<u>145,934</u>	<u>99%</u>	<u>159,437</u>
Total	\$ 16,475,000	\$ 16,475,000	\$ 16,473,934	100%	\$ 19,928,437
<b>Tuition and Related Fees</b>					
Non-resident Tuition	720,000	666,099	645,099	97%	733,752
Registration Fee	40,104,370	40,083,533	40,040,047	100%	40,020,114
Veteran Fee Waivers	(652,290)	(735,482)	(822,627)	112%	(731,261)
LL.M. Tuition	926,250	767,914	767,914	100%	720,135
MSL Tuition	380,250	408,730	408,266	100%	80,187
MBE Support Fee	114,000	116,400	116,520	100%	-
HPL Revenue Share	229,182	222,076	186,878	84%	381,882
Summer Legal Institute	617,234	617,234	1,243,961	202%	593,652
Other Student Fees	<u>57,175</u>	<u>102,673</u>	<u>111,252</u>	<u>108%</u>	<u>77,399</u>
Total	\$ 42,496,171	\$ 42,249,177	\$ 42,697,310	101%	\$ 41,875,860
<b>Scholarly Publications</b>					
Subscription Revenues	<u>40,000</u>	<u>40,000</u>	<u>54,784</u>	<u>137%</u>	<u>51,015</u>
Total	\$ 40,000	\$ 40,000	\$ 54,784	137%	\$ 51,015
<b>Other Income</b>					
Investment Income	140,000	140,000	117,688	84%	144,084
Realized Gain/Loss on Sale of Investments	-	-	7,882	--	2,603
Unrealized Gain/Loss on Investments	-	-	1,329,171 *	--	1,871,073
Overhead Allowances	1,333,422	1,428,478	1,263,621	88%	1,280,381
Miscellaneous	<u>138,950</u>	<u>70,568</u>	<u>118,704</u>	<u>168%</u>	<u>42,160</u>
Total	\$ 1,612,372	\$ 1,639,046	\$ 2,837,066	173%	\$ 3,340,301
<b>Transfer from Other Funds</b>	\$ 16,168	\$ 16,168	\$ 127,125	--	\$ 7,405
<b>Prior Year Reserve/Beginning Fund Balance</b>	<u>\$ 7,205,639</u>	<u>\$ 7,103,079</u>	<u>\$ 7,103,079</u>	<u>100%</u>	<u>\$ 11,488,793</u>
<b>TOTAL REVENUES</b>	\$ 67,845,350	\$ 67,522,470	\$ 69,293,298	103%	\$ 76,691,811

\*See attached narrative

HASTINGS COLLEGE OF THE LAW  
State Budget Report -- 2019-20

8/11/2020

<b>EXPENDITURES</b>	<b>Beginning Budget 2019-20</b>	<b>Midyear Revised Budget 2019-20</b>	<b>Preliminary Year-end Actual 2019-20</b>	<b>Preliminary Actual as a Percent of Midyear Revised Budget</b>	<b>Year-end Actual 2018-19</b>
Salaries & Wages	26,478,849	25,822,785	26,278,817 *	102%	25,305,405
Student Wages-Reg. & Work-study	566,833	590,762	519,353	88%	491,501
Staff Benefits	8,785,496	8,480,760	8,949,499	106%	8,940,818
Consultants	424,053	527,506	526,575	100%	475,386
Temporary Help (Contracted)	112,536	178,831	196,742	110%	731,614
Employee Development & Testing	174,731	175,117	102,368	58%	144,411
Recruiting & Advertising	436,823	403,204	363,597	90%	182,295
Audit, Legal, and Case Costs	198,000	263,501	323,953 *	123%	254,381
Insurance	347,701	360,461	373,445	104%	312,153
Printing & Copier Service	660,931	680,846	516,573	76%	641,721
Supplies	240,902	258,784	218,942	85%	253,099
Travel	877,672	842,308	406,529	48%	604,050
Dues & Subscriptions	244,500	350,128	353,925	101%	236,583
Events & Entertainment	390,714	422,089	234,858	56%	332,163
Computer Software	780,951	760,638	824,582	108%	534,566
Data Processing	275,949	267,349	448,345 *	168%	90,357
Info Retrieval & Bibliography Svc.	518,180	518,000	529,539	102%	457,164
Books & Bindings	705,184	719,594	741,673	103%	768,732
Equipment Maintenance	160,041	137,860	89,450	65%	132,202
Building Maintenance	1,763,700	1,819,300	1,666,382	92%	1,332,537
Other Contract Services	3,346,753	3,433,391	3,072,845	89%	3,337,920
Utilities	1,178,426	1,279,426	1,069,623	84%	1,172,730
Telephone	75,044	54,323	52,578	97%	64,637
Mail	64,828	49,171	21,609	44%	42,430
Misc. (Including Bank Fees)	290,194	324,046	299,318	92%	199,966
Equipment & Improvements	166,512	194,201	259,182	133%	213,855
Space & Equipment Rental	556,884	556,884	475,857	85%	550,473
Financial Aid Grants	15,623,397	14,863,979	14,784,586	99%	17,051,050
Collection Costs	19,820	12,820	3,250	25%	9,822
Perkins Loan Matching Funds	-	-	(1,368,979) *	0%	-
Transfer to Other Funds	500,000	500,000	533,932	107%	4,500,600
<b>TOTAL EXPENDITURES</b>	<b>\$ 65,965,604</b>	<b>\$ 64,848,064</b>	<b>\$ 62,868,948</b>	<b>97%</b>	<b>\$ 69,364,621</b>

\*See attached narrative

## ACTION ITEM

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Core Operations – State Budget for 2020-21
3. **RECOMMENDATION:**

That the Finance Committee recommend that the Board of Directors approves the attached state budget for 2020-21.

## 4. BACKGROUND:

Fiscal detail on major elements of both the revenue and expenditure budgets for 2020-21 is presented below. Planning in the uncertain times of the current COVID-19 global pandemic changed normal budgeting assumptions and, while we know the fall 2020 semester will be under a distance learning model with limited in-person interactions, it is difficult to predict the financial impacts; further refinement of revenue and expense projections is expected throughout the fiscal year ending June 30, 2021.

### Revenues

- State Appropriations, General Fund – General Fund support for operations in California’s Budget Act of 2020 at \$14,688,000 includes ongoing increased funding of \$1.4 million partially mitigating a reduction of (\$1.9) million absent additional federal funds received by the State (pursuant to Control Section 8.28). Reductions from 2019-20 one-time funding of UCPATH Project at \$594,000, and deferred maintenance and/or instructional technology and equipment at \$500,000 are also reflected. Beginning 2020-21 a pass-through General Fund lease-revenue appropriation for 333 Golden Gate building rent payments is reflected in the California budget for Hastings.

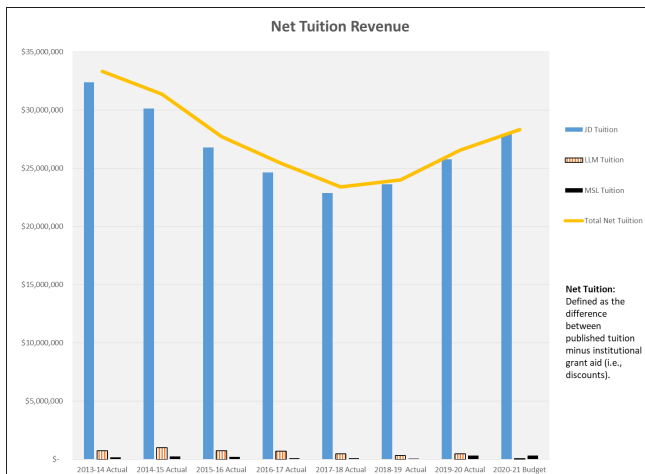
2019-20	2020-21	Change	
\$ 15,234,000	\$ 14,688,000	\$ (546,000)	-4% Ongoing General Fund Support
\$ 500,000	\$ -	\$ (500,000)	-100% Deferred Maintenance/Instructional Tech
\$ 594,000	\$ -	\$ (594,000)	-100% UCPATH Project Implementation
<b>\$ 16,328,000</b>	<b>\$ 14,688,000</b>	<b>\$ (1,640,000)</b>	<b>-10% State General Fund Operations</b>
\$ -	\$ 3,452,000	\$ 3,452,000	-- 333 Golden Gate rent, General Fund lease-revenue
<b>\$ 16,328,000</b>	<b>\$ 18,140,000</b>	<b>\$ 1,812,000</b>	<b>11% Total State General Fund Appropriation</b>



- Tuition and Related Fees – The 2020-21 annual per-student tuition and fees for the JD program remain unchanged from 2019-20 at \$43,486, LL.M. unchanged at \$47,500, and MSL unchanged at \$39,000 as approved by the Board of Directors at the June 2020 meeting. Revenues are based on the following enrollment assumptions.

Projected FTE Student Enrollment	2020-21 Beginning Budget
<b>JD Students</b>	
First Year	370.0
Second Year (including Transfers)	317.0
Third Year	264.0
<b>Total JD</b>	<b>951.0</b>
<b>Non-JD Students</b>	
LLM, net exchange	2.25
MSL	9.25
<b>Total Non-JD</b>	<b>11.5</b>
<b>TOTAL</b>	<b>962.5</b>

The effect of changes in tuition discounting is displayed below.



- Non-resident Tuition – The budget assumes 13% of JD students or 124 FTE are non-residents paying \$6,000 tuition in 2020-21. In 2019-20 non-resident tuition was paid by 107.5 FTE or 13% of JD students.
- Registration Fee – Remaining unchanged at \$43,486 per year, the JD enrollment fee is budgeted for 951 FTE students for gross enrollment fee revenues of \$41,355,186. Budgeted tuition reductions from JD exchange programs 2020-21 reduces this by \$136,000, an amount equivalent to actual activity in 2019-20. In 2019-20 revenue of \$40,040,047 from 920.8 FTE paying JD students was received.
- Veteran and Other Fee Waivers – The 2020-21 budget estimates 19 FTE students are veterans eligible for waiver of the \$43,486 enrollment fee for \$826,234 in foregone fee revenues resulting from this unfunded state mandate. In 2019-20 a total of 18.9 FTE students received waivers for foregone revenues of \$822,627.

- LL.M. Tuition – The budget reflects 2.25 FTE students paying \$47,500 for \$106,875 in 2020-21 revenue before financial aid. Actual revenue in 2019-20 was \$767,194 obtained from 16.2 FTE paying LL.M. students. The COVID-19 global pandemic has impacted this one-year degree program intended for foreign students; recent digital marketing efforts initially predicted an increase in enrollment and while the change from 2019-20 revenues is a reduction of \$661,000 the reduction from the five-year budget model with planned enrollment of 30 FTE is closer to \$863,000.
- MSL Tuition – There are part-time students enrolled in the MSL program for a projected FTE enrollment of 9.25 in 2020-21 paying \$39,000 generating \$360,750 in fee revenues. In 2019-20 10.5 FTE students generated \$408,266 in revenues.
- MBE Support Fee – This \$120 fee, approved by the Board of Directors in June 2019, provides access to Adaptibar’s bar review online tool.
- HPL Revenue Share – The online Masters in Health Policy and Law (HPL) degree program is on hold for the 2020-21 academic year. In prior years revenue was received at a break-even amount equal to direct program expense under MOU agreements with UCSF that are now expired.
- Unrealized Gain/Loss on Investments – This category accounts for the change in the market value of the state fund’s share in the UC General Endowment Pool (GEP) and is not a budgeted item as there is no basis for a projection. In 2019-20 unrealized gains of \$1,329,171 were recognized.
- Overhead Allowances – The beginning Nonstate Auxiliary Enterprises budget approved by the Board in May reflects contributions equal to 12 percent of operating revenue or \$1,028,129 as overhead to the state account. Indirect costs allowed on federal and private grants are budgeted to contribute \$114,324 to state funds.
- Miscellaneous – Included in 2019-20 actuals were one-time reimbursement revenues from UC for staff salary support of the UCPATH Project.
- Prior Year Reserve/Beginning Fund Balance – The beginning operating reserve is projected at \$7.1 million based on preliminary 2019-20 results, representing total state net operating fund assets after backing out non-cash impacts of GASB pension and retiree health benefits liabilities, deferred inflows and deferred outflows of resources.

### **Expenditures**

All state-funded departments were mandated a ten percent (10%) reduction in operating expense allocations (salaries and benefits excluded) from the 2019-20 beginning budget base and those budgetary savings are reflected throughout. These line items have significant changes worth noting:

- Salaries and Wages – The 2020-21 budget reflects the full-year cost of 2019-20 adjustments including merit awards effective January 1, 2020 and collective bargaining agreements. The budget reflects staffing adjustments from the College’s strategic plan resulting in (\$1) million savings and combined with faculty changes the overall projected salary savings is (\$1.242) million from 2019-20 preliminary actuals. Here are further details of the salary budget components:

1. An adjusted Classroom faculty salary budget of \$11,386,603 that accounts for savings from retirements and resignations, as well as changes to visiting professor and adjunct appointments. This is a reduction of (\$411,558) from 2019-20 actual Classroom salaries of \$11,798,161. The proposed faculty budget provides for the following in 2020-21:
    - a) Cost savings from one each Regular and Clinical faculty retirements (partially offset by two new Sullivan Professor appointments), and resignation of one each Distinguished and Regular Professor (the latter replaced by Lecturer).
    - b) One new hire tenure-track Associate Professor.
    - c) Promotion of two faculty from Associate Professor to Professor of Law, Step 3, effective July 2020.
    - d) Automatic upwards step adjustment for one; pursuant to ladder faculty base compensation policy, ladder faculty with at least three years of pre-tenure service credit are automatically moved up to Step 2.
    - e) An allocation of \$470,000 for Adjunct Professor wages.
    - f) A provisional allocation of \$195,000 not yet assigned to specific faculty appointments (e.g., spring semester visitors) and available to fund faculty changes through June 2021.
    - g) One-time savings from leave of absence, reduced FTE, and partial buy-out of state salaries through nonstate grant funding. Additionally, one Distinguished Professor voluntarily reduced salary by 50% for 2020-21.
  2. Staffing changes include:
    - a) Strategic Plan reductions obtained by voluntary early retirements, involuntary lay-offs and position reorganizations resulting in net projected salary savings of (\$881,000) from seven employee lay-offs for a total of 10 FTE eliminated or reduced state-funded positions.
    - b) A new 1.0 Executive Director staff position in the Center for Business Law academic program.
  3. Compensation adjustments currently in the 2020-21 budget include:
    - a) General salary adjustments for represented staff per collective bargaining agreements finalized last year providing 3% increase effective January 1, 2021.
    - b) Voluntary 5% salary reduction for the College's Officers: Chancellor and Dean, Academic Dean, General Counsel and Chief Financial Officer.
    - c) No general or merit salary adjustments for non-represented faculty or staff.
    - d) Projected salary savings of \$166,000 from delay of recruitment and hiring when staff positions become vacant (a temporary hiring freeze).
    - e) A funding pool for reclassification and market adjustments for staff positions at \$55,970 (combined with benefit allocation equals a \$75,000 total pool).
- Staff Benefits – Effective July 1, 2020, a new multi-rate structure facilitated by implementation of UCPath replaced the single blended benefit allocation rate of 34% budgeted in prior years. Calculated as a percentage of salaries by employee group, all

benefits (health and welfare, UCRP, OPEB, workers' compensation and unemployment insurance) are allocated to cost centers based on the combined benefit rates. The basis for 2020-21 rates is actual 2018-19 expense by employee group with projected cost increases through June 20, 2021. Premium cost changes to health and welfare plans managed by UC will be effective January 1, 2021. Benefit savings associated with Strategic Plan staffing cost changes above are projected at (\$299,000) and projected increases of \$150,000 are budgeted for one-time separation costs (including increased unemployment claims). Here is the new rate structure:

2020-21 Combined Benefit Rates						
	Faculty and Other Academics, Full Benefits	Faculty and Staff, No Benefits	Faculty and Staff, Partial Benefits	Staff Exempt, Full Benefits	Staff Non-Exempt, Full Benefits	Students (Enrolled at Hastings)
Allocation by Employee Group:	32.0%	2.4%	7.6%	41.0%	48.5%	0.0%

- Printing and Copier Service – This line item saw significant reduction at (\$146,000) planned by departments in response to cutting operating expenses and resulting from less in-person interaction. Savings are offset by one-time planned expense at \$60,000 related to COVID-19 signage requirements (re: social distancing).
- Supplies – Included in the 2020-21 budget is an estimated \$92,000 for COVID-19 related sanitizing, restroom and personal use supplies (including Plexiglas shields).
- Travel – Included here are allocations for faculty research and professional development from which other categories of expenditure are allowed, thus the line item budget appears inflated compared to prior year actual expense. Departments have curtailed plans to travel in fall 2020 but the budget retains significant allocations for student competition team travel and allocations for spring 2021.
- Data Processing – This category decreases in 2020-21 from 2019-20 actual because last year the prepaid expense for UCPath was recognized upon implementation March 2020. The support cost to be paid to University of California for HR-Payroll services is \$280,000 in 2020-21.
- Building Maintenance – The 2020-21 budget includes a projected \$80,000 increase for custodial staff related to COVID-19 cleaning, \$49,000 for pressure wash service and \$35,000 for a sealant coating on building exteriors to facilitate graffiti cleaning. Also budgeted are estimated cost increases for the following ongoing services: janitorial, building engineer, sidewalk cleaning, elevator maintenance, building systems maintenance, landscaping and pest control.
- Utilities – Budgetary savings of \$363,000 are projected from decommissioning of Snodgrass Hall 198 McAllister Street building, maintaining only basic system services until demolition. The new Cotchett Law Center 333 Golden Gate building with its Platinum LEED design will have annual operating costs significantly less than Snodgrass Hall.
- Financial Aid Grants – The financial aid budget for 2020-21 state accounts totals \$13,665,044 which is a decrease of \$1,119,542 from 2019-20. This reflects the incoming class at a discount rate of 30% and the wind-down of the final student cohort awarded at higher than historical discount rates (3Ls at 37.5%); additional

student financial aid expense is included in nonstate budgets. State budget allocations include:

- 1) \$13,413,644 grant budget for JD students.
- 2) \$150,000 for the Loan Repayment Assistance Program (LRAP).
- 3) \$50,000 grant budget for LL.M.-International students, equivalent to a tuition discount rate of 47%.
- 4) \$39,400 grant funding for Master of Studies in Law (MSL) students anticipated at 9.25 FTE and an 11% discount rate.
- 5) \$12,000 for International Summer Internships, awards to rising 1L and 2L students to help defray travel and living expenses while working on international issues in an unpaid position.

### **Summary**

#### **2020-21 OPERATIONS BUDGET**

Based on the projected revenues identified and assuming approval of all proposed expenditures, an ending operating reserve with market valuation as of 6/30/20 is projected at \$4.9 million. The prior year reserve is preliminary and projected to end at \$7.1 million. Budget status will be reviewed with all departments at midyear and spending plans revised with a better understanding of the financial impact of the COVID-19 pandemic and the spring 2021 semester.

Operating Revenues	\$59,285,190
Operating Expenses, without Fin Aid & Transfers	<u>(47,808,487)</u>
Net Operations	11,476,703
Student Financial Aid	<u>(13,665,044)</u>
Net Operations after Financial Aid	(2,188,341)
Prior Year Reserve (preliminary)	<u>7,077,687</u>
Projected Ending Operating Reserve	<u>\$ 4,889,346</u>

#### **PLANT FUND RESERVE**

The Plant Fund Reserve has a preliminary ending 2019-20 net asset balance of \$6,936,666. In 2020-21 investment income is budgeted to add \$32,000. An ending state Plant Fund Reserve of \$6,969,000 is projected (market valuation at 6/30/20).

#### **LEASE-REVENUE BOND RENTAL PAYMENTS**

Included in the State Budget Act of 2020 is \$3,452,000 under General Fund capital item 6600-003-0001 for support of Hastings. This is the first of scheduled rental payments for 333 Golden Gate, funded by lease-revenue bonds through the State of California -- a pass-through transaction with no net cash flow impact to the College, the State Public Works Board withdraws through the State Controller's Office.

**5. PROPOSED RESOLUTION:**

Resolved that the Finance Committee recommend that the Board of Directors approves the proposed state budget for 2020-21.

**Attachments:**

- State Budget – 2020-21 Proposed

<b>REVENUES</b>	<b>Proposed Budget 2020-21</b>	<b>Dollar Change FY20 prelim to FY21 budget</b>	<b>Change from 2019-20 (Prelim) to 2020-21 Budget</b>	<b>Preliminary Year-end Actual 2019-20</b>	<b>Year-end Actual 2018-19</b>
<b>State Appropriations</b>					
General Fund	14,688,000 *	(1,640,000)	-10%	16,328,000	19,769,000
Lottery Fund	<u>148,000</u>	<u>2,066</u>	<u>1%</u>	<u>145,934</u>	<u>159,437</u>
Total	\$ 14,836,000	(1,637,934)	-10%	\$ 16,473,934	\$ 19,928,437
<b>Tuition and Related Fees</b>					
Non-resident Tuition	744,000 *	98,901	15%	645,099	733,752
Registration Fee	41,219,179 *	1,179,132	3%	40,040,047	40,020,114
Veteran Fee Waivers	(826,234) *	(3,607)	0%	(822,627)	(731,261)
LL.M. Tuition	106,875 *	(661,039)	-86%	767,914	720,135
MSL Tuition	360,750 *	(47,516)	-12%	408,266	80,187
MBE Support Fee	114,120 *	(2,400)	-2%	116,520	-
HPL Revenue Share	- *	(186,878)	-100%	186,878	381,882
Summer Legal Institute	1,331,872	87,911	7%	1,243,961	593,652
Other Student Fees	<u>69,075</u>	<u>(42,177)</u>	<u>-38%</u>	<u>111,252</u>	<u>77,399</u>
Total	\$ 43,119,637	422,327	1%	\$ 42,697,310	\$ 41,875,860
<b>Scholarly Publications</b>					
Subscription Revenues	<u>40,000</u>	<u>(14,784)</u>	<u>-27%</u>	<u>54,784</u>	<u>51,015</u>
Total	\$ 40,000	(14,784)	-27%	\$ 54,784	\$ 51,015
<b>Other Income</b>					
Investment Income	100,000	(17,688)	-15%	117,688	144,084
Realized Gain/Loss on Sale of Investments	-	(8,478)	-100%	8,478	2,603
Unrealized Gain/Loss on Investments	- *	(1,329,171)	-100%	1,329,171	1,871,073
Overhead Allowances	1,142,453 *	(121,168)	-10%	1,263,621	1,280,381
Miscellaneous	<u>47,100</u> *	<u>(71,604)</u>	<u>-60%</u>	<u>118,704</u>	<u>42,160</u>
Total	\$ 1,289,553	(1,548,109)	-55%	\$ 2,837,662	\$ 3,340,301
<b>Transfer from Other Funds</b>	\$ -	(127,125)	-100%	\$ 127,125	\$ 7,405
<b>Prior Year Reserve/Beginning Fund Balance</b>	<u>\$ 7,077,687</u> *	<u>(25,392)</u>	<u>0%</u>	<u>\$ 7,103,079</u>	<u>\$ 11,488,793</u>
<b>TOTAL REVENUES &amp; RESERVES</b>	\$ 66,362,877	(2,931,017)	-4%	\$ 69,293,894	\$ 76,691,811

\*See attached narrative.

<i>EXPENDITURES</i>	Proposed Budget 2020-21	<i>Dollar Change FY20 prelim to FY21 budget</i>	Change from 2019-20 (Prelim) to 2020-21 Budget	Preliminary Year-end Actual 2019-20	Year-end Actual 2018-19
Salaries & Wages	25,036,815 *	(1,242,002)	-5%	26,278,817	25,305,405
Student Wages-Regular & Work-study	495,580	(23,773)	-5%	519,353	491,501
Staff Benefits	8,892,785 *	(56,714)	-1%	8,949,499	8,940,818
Consultants	503,294	(23,281)	-4%	526,575	475,386
Temporary Help (Contracted)	152,421	(44,321)	-23%	196,742	731,614
Employee Development & Testing	163,779	61,411	60%	102,368	144,411
Recruiting & Advertising	441,842	78,245	22%	363,597	182,295
Audit, Legal, and Case Costs	268,500	(55,453)	-17%	323,953	254,381
Insurance	453,280	79,835	21%	373,445	312,153
Printing & Copier Service	430,497 *	(86,076)	-17%	516,573	641,721
Supplies	324,320 *	105,338	48%	218,982	253,099
Travel	566,932 *	160,403	39%	406,529	604,050
Dues & Subscriptions	324,984	(28,941)	-8%	353,925	236,583
Events & Entertainment	255,179	20,321	9%	234,858	332,163
Computer Software	718,190	(120,205)	-14%	838,395	534,566
Data Processing	293,962 *	(154,383)	-34%	448,345	90,357
Electronic Databases & Bibliography Svs	490,000	(39,539)	-7%	529,539	457,164
Books & Bindings	665,439	(76,234)	-10%	741,673	768,732
Equipment Maintenance	157,359	67,909	76%	89,450	132,202
Building Maintenance	1,908,542 *	242,160	15%	1,666,382	1,332,537
Other Contract Services	3,539,693 *	458,271	15%	3,081,422	3,337,920
Utilities	706,460 *	(363,226)	-34%	1,069,686	1,172,730
Telephone	48,968	(3,610)	-7%	52,578	64,637
Mail	44,401	22,792	105%	21,609	42,430
Misc. (Including Bank Fees)	291,558	(15,078)	-5%	306,636	199,966
Equipment & Improvements	91,365	(167,817)	-65%	259,182	213,855
Space & Equipment Rental	531,504	55,647	12%	475,857	550,473
Financial Aid Grants	13,665,044 *	(1,119,542)	-8%	14,784,586	17,051,050
Collection Costs	10,838	7,588	233%	3,250	9,822
Perkins Loan Matching Funds	-	-	--	(1,368,979)	-
Transfer to Other Funds	-	(533,932)	-100%	533,932	4,500,600
<b>TOTAL EXPENDITURES</b>	<b>\$ 61,473,531</b>	<b>(1,425,228)</b>	<b>-2%</b>	<b>\$ 62,898,759</b>	<b>\$ 69,364,621</b>

\*See attached narrative.



## **REPORT ITEM**

- 1. REPORT BY:** Chief Financial Officer David Seward
- 2. SUBJECT:** Core Operations - State Budget Planning 2021-22
- 3. REPORT:**

Annually the College submits its spending and revenue plan to the State of California's Department of Finance along with requests for additional funding through the Budget Change Proposal process for both its operating (i.e., Support) and infrastructure (i.e., Capital Outlay) needs. This process provides information and funding proposals to support the Governor's Budget proposal to be released in January 2021 which in turn serves as the basis for legislative review of the 2021-22

The following factors and considerations require discussion to help staff prepare a budget submittal reflective of the policy directives of the Board of Directors.

- State General Fund Support and Contingency Planning
- Student Fee Increases
- Legislative Outreach

Budget planning for the upcoming fiscal year needs to consider these factors to make the budget process a strategic tool to move forward the College's strategic agenda. One consideration would be whether to submit a funding request to address high priority needs notwithstanding the state's fiscal outlook.

## **ACTION ITEM**

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** General Enrollment Fee - Resident and Nonresident Fee Increase for 2021-22
3. **RECOMMENDATION:**

That for the 2021-22 academic year, that the Finance Committee recommend that the Board of Directors approve the following fees:

1. General Enrollment Fee of \$46,530 representing, an increase of \$3,044 (7%); and
2. Nonresident Tuition of \$6,420, representing an increase of \$420 (7%).

## 4. **BACKGROUND:**

The By-laws of the College provide that the Finance Committee considers and makes recommendations to the Board concerning the assessment of registration fees, educational fees, compulsory student activity fees, housing and parking charges and all other fees of the College.

Student fees are the primary revenue source supporting the College's educational mission. In 2019-20, 62% of the total cost of the educational program was funded from student fee revenue. UC Hastings' General Enrollment Fee has remained flat since 2011-12, a ten year period of stability.

### **Budget Outlook**

The fiscal crisis produced by COVID-19 and its aftermath has adversely affected the financial condition of UC Hastings. The budget pressures flow from decreased state funding, the threat of further decreases, and revenue impacts from the declines in LLM enrollment, space rentals and the need to fund COVID-19 related costs. Auxiliary revenues have also been adversely impacted, cash flows that in prior years supplemented the academic program have been substantially diminished. To address these issues, a range of cost reduction/revenue enhancement measures have been developed that over a two-year period will substantially but not fully close the budget gap. But risks remain due to the uncertain length and effect of the pandemic and its impact on the economy in general, and higher education, in particular.

### **Academic Year 2020-21: Current-year Fee Structure**

The current-year (2020-21) fee structure at Hastings consists of the following charges and assessments.

- **General Enrollment Fee** - The General Enrollment Fee represents the primary fee at Hastings and is its main revenue source. This fee is analogous to the Tuition Fee, Student Services Fee and Professional Degree Supplemental Tuition Fee (i.e., mandatory system-wide fees) charged by the University of California. The General Enrollment Fee is currently \$43,486.
- **Nonresident Tuition** - The establishment of nonresident tuition is based on state policy guidelines developed by the California Postsecondary Education Commission (CPEC). Typically students achieve residency status after their first year of attendance. Nonresident tuition is currently \$6,000.
- **Health Center Fee** – Until 2020, Hastings operated a health clinic. For the Fall 2020 semester, student primary care services will be provided by Carbon Health and consistent with policy adopted by the Board, health care services are required to be self-supporting. This fee provides the revenue necessary to fund all direct costs including support staff and a student care advocate. The Health Center Fee is \$865.
- **UCSHIP Accident and Sickness Insurance Plan** - UC Hastings participates in the UC Graduate SHIP managed by the University of California. This allows students and their spouses' health coverage at competitive rates by achieving economies of scale by virtue of the system-wide character of the program. For 2020-21, the premium and program fee is \$5,130. This fee is waivable upon presentation of proof of alternative equivalent coverage.

For 2020-21, total resident fees are \$43,486. Nonresidents pay an additional \$6,000 for total fees of \$49,486.

## **Academic Year 2021-22: Proposed Fee Structure**

The Board has adopted a fee policy that directs staff to provide specified information to facilitate its review of the staff recommendation. Listed below is information responsive to the criteria established under the Board's fee policy.

### **1. The resources necessary to sustain academic quality and to achieve the College's educational mission.**

Hastings is operating under conditions of fiscal austerity driven in large measure by the State of California's chronic budget problems and an emerging statewide policy prescribing that students pursuing professional degrees (i.e., law, business, medicine, etc.) must assume a greater share of the cost of their education given their higher future income potential.

If the College is to maintain its reputation as a provider of quality legal education, funding will be required to address the College's priority needs and deferred costs that can no longer be indefinitely delayed. These include:

- Academic Excellence – Academic excellence is measured by many factors, including national reputation of faculty as scholars as measured by the impact of their scholarship. This measure is used by ranking systems – U.S. News (25% of overall score), Leiter Law Reports (measured by citations to faculty scholarship), and others.
- Increasing Financial Aid and Loan Repayment Assistance Programs – 33% of new General Enrollment Fee revenue will be dedicated to increasing financial aid for need and merit based awards.<sup>1</sup>
- Operating Expenses - Funding needs are also driven by resource requirements from day-to-day operations that while not directly linked to academic objectives are critical in maintaining a financially stable institution. Despite cost control efforts, upward movement is being experienced in a number of areas such as security, insurance and retirement and health benefits costs. Although the proposed student fee increase will not address all needs that have been cited, increased fees are critical to maintain institutional quality. The additional resources will allow the College to fund high priority needs.

## 1. Projected State funding.

General Fund support for operations in California’s Budget Act of 2020 is \$14,688,000. This amount is 10% lower than 2019-20. The Budget Act provides that if additional federal funds are received by the State, some level of funding restoration may occur (Control Section 8.28).

Reductions from 2019-20 include one-time funding of UCPath Project at \$594,000 and deferred maintenance and instructional technology and equipment at \$500,000.

2019-20	2020-21	Change	
\$ 15,234,000	\$ 14,688,000	\$ (546,000)	-4% Ongoing General Fund Support
\$ 500,000	\$ -	\$ (500,000)	-100% Deferred Maintenance/Instructional Tech
\$ 594,000	\$ -	\$ (594,000)	-100% UCPath Project Implementation
<b>\$ 16,328,000</b>	<b>\$ 14,688,000</b>	<b>\$ (1,640,000)</b>	<b>-10% State General Fund Operations</b>
\$ -	\$ 3,452,000	\$ 3,452,000	-- 333 Golden Gate rent, General Fund lease-revenue
<b>\$ 16,328,000</b>	<b>\$ 18,140,000</b>	<b>\$ 1,812,000</b>	<b>11% Total State General Fund Appropriation</b>

The state’s economic outlook remains bleak and future funding levels are contingent upon federal assistance and the extent to which any economic recovery that may occur boosts state revenue collections to pre-pandemic levels.

## 2. Financial support available from nonstate sources.

UC Hastings academic mission is also furthered by private gifts and donations, grants, federal funds and endowed programs. However, the efficacy of financing cost growth for on-going operations from these sources is limited by restrictions typically imposed by the funding source. For example, grants are limited to a specific research project or activity; private

<sup>1</sup> Approximately 82% of Hastings students receive need-based grant awards.

donations are typically restricted for scholarships, professorships, or building improvements. Although some of these gifts do “free-up” state funds that otherwise would have been allocated for these activities (e.g., Professorships), private gifts and donations are more often used to effect program enhancements rather than as a means of financing employee compensation and operating cost increases.

### **3. The current financial burden borne by students and the potential of any increase to limit access to legal education.**

The overall impact of the proposed overall fee increase of 7% equates to \$3,044 per student per year. This fee increase can be moderated for those with the greatest need by allocating 33% of the revenue garnered by the increase to augment financial aid and loan forgiveness programs. Further financial assistance for eligible students in the form of need-based scholarships, private and institutional loans, and loans, in some cases government subsidized loans, are also available to mitigate financial burden engendered by the proposed enrollment fee increase.

As the cost of attendance between public and private institutions narrows, the College will find itself at an increasing competitive disadvantage relative to better-endowed private institutions with regards to scholarships and other forms of institutional financial aid. Private fundraising for scholarships needs to become an institutional priority.

### **4. Fees assessed at other comparable law schools**

For 2021, UC Hastings fees are 12% lower than the average of other University of California law schools. UC Hastings nonresident tuition is substantially equivalent to the average nonresident fee (\$5,959) charged by University of California.

<b><u>2020-21 Fee Comparison</u></b>						
	<b><u>Resident Fees<sup>(1)</sup></u></b>	<b><u>Campus Fees</u></b>	<b><u>Health Insurance<sup>(2)</sup></u></b>	<b><u>Total Fees Resident</u></b>	<b><u>Non-Resident Tuition</u></b>	<b><u>Total Fees Non-Resident</u></b>
Hastings	\$43,486	\$1,142	\$5,130	\$49,758	\$6,000	\$55,758
Berkeley law school	53,426	1,486	5,682	60,594	2,659	63,253
Davis law school	49,536	1,027	5,193	55,756	9,979	65,735
Irvine law school	49,266	784	4,577	54,626	5,599	60,225
UCLA law school	49,266	1,359	4,458	55,083	5,599	60,682

<sup>(1)</sup> For other UC campuses, Resident Fees are referred to as Mandatory System-wide fees consisting of the Student Services Fee (formerly Registration Fee), Tuition (formerly Educational Fee), and Professional Degree Supplemental Tuition.

<sup>(2)</sup> Health Insurance premiums can be waived upon presentation of proof of alternative, comparable coverage.

The following table summarizes total fees charged in 2020-21 by other law schools.

<b>Other National Benchmark Institutions</b>	<b><u>Fees</u></b>	<b><u>Nonresident</u></b>
USC	\$69,593	N/A
Boston College	59,648	N/A
George Washington	65,420	N/A
University of Texas	36,429	\$54,096
University of Minnesota	46,012	54,868
University of Michigan	61,854	64,854
University of Virginia	65,500	68,500

	<b><i>2020-21</i></b>
<b>California Private Institutions</b>	<b><u>Fees</u></b>
University of Santa Clara	\$58,380
University of San Diego	58,911
Pepperdine	59,280
Loyola Marymount	60,860
Stanford University	64,350
University of San Francisco	51,730
Golden Gate University	51,500

Source: Hastings College of the Law.

Comparing the proposed 2021-22 UC Hastings fee structure to comparable current levels at other UC law schools 2020-21 demonstrates that UC Hastings remains price competitive.

<b>Law School</b>	<b>Mandatory System-wide Resident Fees</b>	<b>Nonresident Tuition</b>	<b>Total Nonresident Fees 2020-21</b>
UC Davis	49,536	9,979	59,515
UC Berkeley	53,426	2,659	56,085
UC Irvine	49,266	5,599	54,865
UCLA	49,266	5,599	54,865
<i>Average</i>	\$50,374	5,959	\$56,333

The fee structure proposed for 2021-22 for UC Hastings remains below the amounts charged by other UC law schools currently.

<b>Law School</b>	<b>2021-22 General Enrollment Fee</b>	<b>2021-22 Nonresident Tuition</b>	<b>Total Nonresident Fee (Proposed) 2021-22</b>
UC Hastings	\$46,530	6,420	\$52,950

With the 7% increase *proposed* for 2021-22, UC Hastings resident General Enrollment Fee will be 7.8% below the average of UC's *current* resident fees. Similarly, UC Hastings *proposed* nonresident fees will be 6% below the average of UC's *current* nonresident fees.

## 5. Information with regard to the inflation or deflation reflected in CPI.

The state Department of Finance regularly publishes data measuring price changes. The Consumer Price Index for Urban Consumers (CPI-U) for California for the period ending on June 30, 2019 was 4.0% and for the period ending June 30, 2020, a 2.4% increase was recorded. The Department of Finance projects that costs measured by this index will increase by 1.3% for 2020-21.

## **NONRESIDENT TUITION**

Hastings, like other public universities, charges nonresident students more than it charges resident students. Hastings nonresidents pay Nonresident Tuition addition to the charges paid by resident students. The additional charge means that California's investment in its system of public higher education is directly supporting California students.

The establishment of nonresident tuition is based on state policy guidelines developed some time ago by the California Postsecondary Education Commission (CPEC): As California's public postsecondary education segments annually adjust the level of nonresident tuition they charge out-of-state students, the nonresident tuition methodologies they develop and use are to take into consideration, at a minimum, the following two factors: (1) the total nonresident charges imposed by each of their public comparison institutions and (2) the full average cost of instruction. In addition, each segment should endeavor to maintain that increases in the level of nonresident tuition are gradual, moderate, and predictable, by providing nonresident students with a minimum of a 10-month notice of tuition increases. Each governing board is directed to develop its own methodology for adjusting the level of nonresident tuition, but those methodologies should be consistent with this recommendation and existing statutes.

The proposed Nonresident Tuition for 2021-22 conforms to the provision that nonresident fees be adjusted based on two considerations: fees charged at benchmark institutions and cost recovery. In 2020-21, the average nonresident tuition at other UC law schools is \$56,333. In 2019-20, Hastings budgeted average cost of instruction was \$52,833; for 2021-22, total nonresident fee are proposed at \$52,950.

## SUMMARY

Based on these considerations, the following fee structure is proposed for 2021-22:

	<b>Authorized</b>	<b>Proposed</b>		
	<b><u>2020-21</u></b>	<b><u>2021-22</u></b>	<b><u>Change</u></b>	<b><u>Percent</u></b>
General Enrollment Fee	43,486	46,530	3,044	7%
Nonresident Tuition	6,000	6,420	420	7%
Activity Fee*	157	157	-	0%
Health Services Fee*	865	865	-	0%
Health Insurance Premium*	5,130	5,130	-	0%
Total Resident	\$ 49,638	\$ 52,682	\$ 3,044	6.2%
Total Nonresident	\$ 55,638	\$ 59,102	\$ 3,464	6.3%

\* Preliminary. These fees will be established at the June 2021 meeting of the Board of Directors.

The General Enrollment Fee increase will result in \$3,074,000 in gross revenue assuming 1,010 students. The added surcharge for nonresident students will generate \$62,000 assuming 148 students. Of these amounts, \$1,035,000 will be allocated for a need and merit based financial aid to mitigate any adverse impact on accessibility. Net revenue of \$2,101,000 is available to fund College priorities.

## 5. PROPOSED RESOLUTION\*:

RESOLVED, that for the 2021-22 academic year the Finance Committee recommend to the Board of Directors approval of a:

1. General Enrollment Fee of \$46,530; and
2. Nonresident Tuition of \$11,225.

*\*Nothing in this document constitutes a contract, an offer of a contract, or a promise that any tuition or fees ultimately authorized by the Board of Directors will be limited by any term or provision of this policy. The Board of Directors expressly reserve the right and option, in its absolute discretion, to establish tuition or fees at any level it deems appropriate based on a full consideration of the circumstances, and nothing herein shall be a basis for any party to rely on tuition or fees of a specified level or based on a specified formula.*



## REPORT ITEM

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Non State Budget Report- Preliminary 2019-20 Year-end
3. **REPORT:**

Attached is the year-end non-state budget report for 2019-20. Expenditure data represents preliminary figures; audited 2019-20 data will be presented in the *Financial Statements and Independent Auditors' Report* to be prepared by the College's auditors.

This report is divided into the following categories of non-state funds:

- Restricted Funds
- Unrestricted Funds

### RESTRICTED FUNDS

This report includes all non-state current-use funds having restrictions imposed upon them from external sources, such as donors or granting agencies. Major budget variances are outlined below.

#### Revenues

- Grants and Contracts – The beginning budget reflected expectations of new grant and contract revenues to be received in the 2019-20 fiscal year at the time budgets developed in May. The following significant grant and contract revenues were received in 2019-20:
  - \$2,097,000 Center for Gender and Refugee Studies, various sources of grant and contract support
  - \$400,000 to UCSF/UC Hastings Consortium from Arnold Foundation and \$110,389 from Grove Foundation
  - \$398,000 Center for Innovation's grants from the Arnold Foundation
  - \$306,000 Center for WorkLife Law's Kellogg Foundation grant

#### Expenses

- Public and Professional Services – Total expenses of \$378,000 exceed beginning budget of \$51,000 by \$327,000 funded by new Consortium grant and contract revenues.
- Student Organizations – The College manages the cash of student organizations; they are not required to budget activity and in 2019-20 incurred \$164,427 in expenses.

### **Nonoperating Revenues/(Expenses)**

- Net Transfers to/from Other Funds – In 2019-20 budget included \$2,503,000 net gift funding in support of 333 Golden Gate to be transferred from the Building UC Hastings fund but actual was \$977,053 based on available cash.

### **UNRESTRICTED FUNDS**

This report includes all non-state current-use funds that do not have restrictions imposed upon them from external sources. These funds include gifts given without restriction such as the UC Hastings Foundation funding in the form of block grants for support of Institutional Advancement and Alumni Office functions. In addition, funds generated that support the budget of individual programs such as membership programs and conferences are also recorded here. Miscellaneous revenue sources such as student application fees (currently from non-JD programs), room rental and vending machine commissions fund programs that may not have income of their own such as academic conferences, student and college-wide events, and administrative support funds. Auxiliary Enterprises, while unrestricted nonstate funds, are reported separately. Designated Funds, those funds restricted as to use by the Board of Directors (e.g., Digardi Professorship, Hastings Chair, PICAP) are also categorized as unrestricted current-use funds because it is within the Board's power to remove such restrictions and related activity is included in this report.

### **Nonoperating Revenues / (Expenses)**

- UCH Foundation Grants and Other Donations – The UC Hastings Foundation was budgeted to contribute \$967,000 in block grants to the College from their unrestricted sources; a total of \$950,000 was received and transferred. Included in unrestricted gift revenues are donations available to the Chancellor and Dean at his discretion but not included in beginning projections: \$2,000,000 Cotchett, \$1,000,000 Kerkorian, \$310,000 from Walkup Melodia and \$282,430 from various donors.
- Unrealized Gain/Loss on Investments – In 2019-20 the nonstate unrestricted fund's share of the change in market value of UC-GEP investments are unrealized gains of \$140,452 through June 2020. In 2019-20 unrealized gains of \$334,943 were posted.
- Net Transfers to/from Other Funds – Transfer from new unrestricted gifts available to the Chancellor and Dean were made including \$1,000,000 funding for LRCP projects (to backfill for donations that had been expected for the Building UC Hastings fund). A cash transfer of \$738,976 was made from the Hastings Law Loan fund to the state General Fund to effectuate the return of prior-year Institutional Capital Contributions from the now-inactive federal Perkins Student Loan Fund.

**Attachments:** Non State Budget Report- Preliminary 2019-20 Year-end

HASTINGS COLLEGE OF THE LAW  
**Non-State Budget, Restricted Funds**  
**2019-20 Preliminary Year-end Actual**

	Budget 2019-20	Preliminary Year-end Actual 2019-20	Preliminary Year-end Actual as a Percent of Budget 2019-20	Year-end Actual 2018-19
<b>REVENUES</b>				
Grants and Contracts	\$ 3,389,226	\$ 4,465,795 *	132%	\$ 3,478,955
Other Income	3,600	134,827	3745%	127,893
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 3,392,826</b>	<b>\$ 4,600,622</b>	<b>136%</b>	<b>\$ 3,606,848</b>
<b>EXPENSES</b>				
Instruction and Research				
Salaries and Benefits	3,281,173	3,492,409	106%	2,861,748
Program Support	1,499,452	1,322,912	88%	1,032,680
Public and Professional Services				
Salaries and Benefits	23,451	300,412 *	1281%	260,194
Program Support	27,754	77,487 *	279%	51,819
Academic Support				
Salaries and Benefits	-	-	--	-
Program Support	-	-	--	-
Student Services				
Salaries and Benefits	17,095	1,822	11%	20,745
Program Support	46,730	148,999	319%	38,368
Institutional and Building Support				
Salaries and Benefits	-	-	--	-
Program Support	40,358	40,155	99%	29,691
Financial Aid				
Salaries and Benefits	89,190	5,000	6%	89,191
Program Support	32,474	48,057	148%	7,442
Administrative Overhead	4,482	-	0%	-
Scholarships and Fellowships	2,889,967	2,452,190	85%	2,098,633
Student Organizations	-	164,427 *	=	187,920
<b>TOTAL OPERATINGEXPENSES</b>	<b>\$ 7,952,126</b>	<b>\$ 8,053,870</b>	<b>101%</b>	<b>\$ 6,678,431</b>
<b>NET OPERATIONS</b>	<b>\$ (4,559,300)</b>	<b>\$ (3,453,248)</b>	<b>76%</b>	<b>\$ (3,071,583)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Donations	\$ 3,199,274	\$ 3,138,407	98%	\$ 2,077,250
Investment Income	10,761	12,447	116%	10,761
Endowment Payout	1,156,211	1,222,012	106%	1,192,081
Realized Gain/Loss on Sale of Investments	-	862	--	1,541
Unrealized Gain/Loss on Investments	-	49,917	--	60,718
Net Transfers to/from Other Funds	(2,459,059)	(805,158) *	33%	4,381,617
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ 1,907,187</b>	<b>\$ 3,618,486</b>	<b>190%</b>	<b>\$ 7,723,968</b>
<b>TOTAL CHANGE IN NET ASSETS</b>	<b>\$ (2,652,113)</b>	<b>\$ 165,238</b>	<b>-6%</b>	<b>\$ 4,652,385</b>

\*See attached narrative.

HASTINGS COLLEGE OF THE LAW  
**Non-State Budget, Unrestricted Funds**  
**2019-20 Preliminary Year-end Actual**

	Budget 2019-20	Preliminary Year-end Actual 2019-20	Preliminary Year-end Actual as a Percent of Budget 2019-20	Year-end Actual 2018-19
<b>REVENUES</b>				
Dues/Memberships	\$ 150,000	\$ 148,500	99%	\$ 156,071
Fees	336,402	232,817	69%	447,592
Other Income	273,246	350,231	128%	663,122
Overhead Allowances	-	5,913	=	1,686
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 759,648</b>	<b>\$ 737,460</b>	<b>97%</b>	<b>\$ 1,268,471</b>
<b>EXPENSES</b>				
Instruction and Research				
Salaries and Benefits	736,019	856,102	116%	667,386
Program Support	380,097	261,143	69%	124,859
Public and Professional Services				
Salaries and Benefits	11,000	-	0%	10,000
Program Support	27,000	2,748	10%	32,184
Academic Support				
Salaries and Benefits	7,500	7,500	100%	-
Program Support	66,800	36,733	55%	72,956
Student Services				
Salaries and Benefits	-	637	--	-
Program Support	325,307	90,090	28%	106,281
Institutional and Building Support				
Salaries and Benefits	856,971	792,790	93%	646,036
Program Support	2,525,304	2,237,575	89%	1,734,263
Financial Aid				
Scholarships and Fellowships	86,726	148,331	171%	29,563
Program Support	-	4,698	=	4,328
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 5,022,724</b>	<b>\$ 4,438,346</b>	<b>88%</b>	<b>\$ 3,427,856</b>
<b>NET OPERATIONS</b>	<b>\$ (4,263,076)</b>	<b>\$ (3,700,886)</b>	<b>87%</b>	<b>\$ (2,159,385)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
UCH Foundation Grants and Other Donations	1,122,000	4,839,774 *	431%	1,378,011
Investment Income	43,000	34,534	80%	37,034
Endowment Payout	254,551	304,703	120%	259,529
Endowment Management Fee	107,264	107,264	100%	101,751
Realized Gain/Loss on Sale of Investments	-	922	--	479
Unrealized Gain/Loss on Investments	-	140,452 *	--	334,943
Net Transfers to/from Other Funds	30,830	(1,720,628) *	-5581%	(1,370,766)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ 1,557,645</b>	<b>\$ 3,707,021</b>	<b>238%</b>	<b>\$ 740,981</b>
<b>TOTAL CHANGE IN NET ASSETS</b>	<b>\$ (2,705,431)</b>	<b>\$ 6,135</b>	<b>0%</b>	<b>\$ (1,418,405)</b>

\*See attached narrative.

## **ACTION ITEM**

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Non-State Budget for 2020-21
3. **RECOMMENDATION**

That the Finance Committee recommend that the Board of Directors approve the attached non-state budget for 2020-21.

## **4. BACKGROUND**

This report is divided into the following categories of non-state funds:

- Restricted Funds
- Unrestricted Funds

### **RESTRICTED FUNDS**

This report includes all non-state funds having restrictions imposed upon them from external sources, such as donors or granting agencies.

#### **Overall**

On an overall basis, the net effect of planned activity is a (\$2,711,000) reduction in restricted fund net assets, a function of expending grant/gift funds received in the prior year or approved spending plans that use accumulated current-use fund balances.

#### **Revenues**

- Grants and Contracts – The 2020-21 grants and contracts revenue budget includes federal and private funding from existing commitments, primarily research and general support (exchange and non-exchange grants) for the Center for Gender and Refugee Studies; the UCSF/UC Hastings Consortium on Law, Science and Health Policy; the Center for WorkLife Law; and the Center for Innovation. Included are two significant grants from the Arnold Foundation with new revenues of \$643,512 (Innovation) and \$550,000 (Consortium), with the NoVo Foundation also a significant funder at \$275,000 (WorkLife). CGRS projects a total of \$1.7 million in grant and contract funding for 2020-21.

### **Expenses**

- Financial Aid, Scholarships and Fellowships – The increase in scholarship expense budgeted at \$3.3 million compared to 2019-20 awards totaling \$2.5 million is \$801,191. Included is budgeted expenditure of \$585,000 for the California Scholars program--the second year of allocation from the \$4.5 million diversity scholarship funding provided by the state in 2018-19 and an increase of \$325,000 from 2019-20—intended to fund awards of full tuition and a \$20,000 housing allocation. Planned expenditures in 2020-21 utilize new endowment payouts and any unspent prior year funding available in support of retention, admission and other named scholarship awards.

### **Nonoperating Revenues (Expenses)**

- Donations – The 2020-21 budget for donations reflects projected gifts available for current-use from recurring or known sources and has been downwardly adjusted to account for one time donations in 2019-20. Included in 2020-21 is \$1,000,000 in projected cash gifts to the Building UC Hastings fund, based on pledges and other commitments.
- Endowment Payout – This category includes both payout from endowments held by Hastings as well as payouts from funds held by UC on our behalf.
- Net Transfers to/from Other Funds – The 2020-21 budget includes \$932,580 net gift funding to the Building UC Hastings fund in support of the Long Range Campus Plan to be transferred to The Cotchett Law Center and Kane Hall capital project accounts (see the related LRCP budget in a separate agenda item).

### **Endowed Funds Spending Rate and Cost Recovery Surcharge**

- Endowment Spending Rate – The budget for endowed funds reflects a total return spending policy permitting the expenditure of both current income and a portion of appreciation. As adopted by the Board of Directors in March 2020, the spending rate for 2020-21 is budgeted at 4.0 percent calculated on the 12 quarter rolling average market value of all endowed funds (January 2017–December 2019). In 2019-20 the approved payout rate was also 4.0 percent.
- Endowment Management Cost Recovery Surcharge – A cost recovery fee is currently budgeted with a surcharge of 35 basis points (0.35 percent) applied to distributions from the General Endowment Pool for endowed funds. The funds recovered will be used to defray, in part, the cost of carrying out the terms of endowments and provide additional resources for the fundraising effort.

## **UNRESTRICTED FUNDS**

This report includes all non-state current-use funds that do not have restrictions imposed upon them from external sources. These funds include gifts given without restriction

such as the UC Hastings Foundation support in the form of black grants for Institutional Advancement and Alumni Office operations. In addition, funds generated that support the budget of individual programs such as research centers, and conferences are also recorded here. Miscellaneous revenue sources such as room rentals and forfeited deposits fund programs that may not have income of their own such as Student and College-wide events and administrative support funds. Designated Funds, those funds restricted as to use by the Board of Directors (e.g., Digardi Professorship, Hastings Chair, PICAP) are also categorized as unrestricted current-use funds because it is within the Board's power to remove such restrictions.

### **Overall**

On an overall basis, the net effect of planned activity is a \$984,676 increase in unrestricted fund net assets, a function of projected new revenues exceeding planned spending.

### **Revenues**

- Other Income – The primary driver for the projected increase in unrestricted net assets is \$1.8 million budgeted to be received from 198 McAllister Student Housing Project bond proceeds, reimbursing pre-development costs funded upfront by the College from unrestricted Hastings-Digardi-Hall cash.

### **Expenses**

- Student Services, Program Support – Planned expenditures in support of the Bridge Fellows Program that provides competitive fellowships for JD graduates starting their careers in the government or nonprofit sector are \$646,000 in 2020-21, funded by allocations from unrestricted gifts to be expended at the discretion of the Chancellor and Dean (\$330,000 from Kerkorian, \$266,000 from Walkup Melodia and \$50,000 from Cotchett).
- Institutional and Building Support, Salaries and Benefits – The Advancement and Alumni Operations salaries and benefit budgets reflect Strategic Planning reductions eliminating 1.7 FTE nonstate funded positions for projected savings of (\$126,000). 2020-21 is budgeted greater than 2019-20 actuals due to periods of vacancies last year and increased combined benefit rates in 2020-21.
- Institutional and Building Support, Program Support – The 2020-21 budget includes allocations from the Dean's discretionary use of gifts (classified as Institutional Support) including \$224,014 from Spector for retention scholarships, \$104,044 from Spector for Bridge Fellow and \$116,514 Walkup Melodia retention scholarships. Budgeted in 2020-21 is use of Hastings-Digardi-Hall in support of the Student Housing project (see the related LRCP budget in a separate agenda item).

### **Nonoperating Revenues (Expenses)**

- UCH Foundation Grants and Other Donations – The 2020-21 College budget reflects the Foundation’s plan to fund a block grant of \$1,000,000; the preliminary 2019-20 block grant is \$950,000 (budgeted at \$967,000). \$2,000,000 in cash gifts to be available for expenditure at the Chancellor and Dean’s discretion are budgeted based on pledges. Gift processing fees (5% deducted from private donations) are projected to provide \$100,000 in funding.
- Net Transfers to/from Other Funds – In support of the Long Range Campus Plan (LRCP), the Chancellor and Dean has agreed to provide \$500,000 from unrestricted donations. The auxiliary Client Services Center is budgeted to provide \$223,000 for nonstate unrestricted program expenditures by transfer of net operating cash.

## **5. PROPOSED RESOLUTION**

Resolved that the Finance Committee recommend that the Board of Directors approve the attached non-state budget for 2020-21.

### **Attachments:**

- 2020-21 Non-State Budget



HASTINGS COLLEGE OF THE LAW  
**Non-State Budget, Restricted Funds**  
**2020-21 Proposed Budget**

	<b>Proposed Budget 2020-21</b>	<b>Preliminary Year-end Actual 2019-20</b>	<b>Change from 2019-20 Year-end to 2020-21 Budget</b>	<b>Year-end Actual 2018-19</b>
<b>REVENUES</b>				
Grants and Contracts	\$ 3,539,539 *	\$ 4,465,795	-21%	\$ 3,478,955
Other Income	8,100	134,827	-94%	127,893
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 3,547,639</b>	<b>\$ 4,600,622</b>	<b>-23%</b>	<b>\$ 3,606,848</b>
<b>EXPENSES</b>				
Instruction and Research				
Salaries and Benefits	3,536,507	3,492,409	1%	2,861,748
Program Support	1,166,709	1,322,912	-12%	1,032,680
Public and Professional Services				
Salaries and Benefits	184,458	300,412	-39%	260,194
Program Support	71,001	77,487	-8%	51,819
Academic Support				
Salaries and Benefits	-	-	--	-
Program Support	-	-	--	-
Student Services				
Salaries and Benefits	19,352	1,822	962%	20,745
Program Support	37,709	148,999	-75%	38,368
Institutional and Building Support				
Salaries and Benefits	-	-	--	-
Program Support	38,269	40,155	-5%	29,691
Financial Aid				
Salaries and Benefits	5,000	5,000	0%	89,191
Program Support	48,345	48,057	1%	7,442
Administrative Overhead	-	-	--	-
Scholarships and Fellowships	3,253,381 *	2,452,190	33%	2,098,633
Student Organizations	20,000	164,427	-88%	187,920
<b>TOTAL OPERATINGEXPENSES</b>	<b>\$ 8,380,731</b>	<b>\$ 8,053,870</b>	<b>4%</b>	<b>\$ 6,678,431</b>
<b>NET OPERATIONS</b>	<b>\$ (4,833,092)</b>	<b>\$ (3,453,248)</b>	<b>40%</b>	<b>\$ (3,071,583)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Donations	\$ 1,728,441 *	\$ 3,138,407	-45%	\$ 2,077,250
Investment Income	12,447	12,447	0%	10,761
Endowment Payout	1,263,790 *	1,222,012	3%	1,192,081
Realized Gain/Loss on Sale of Investments	-	862	-100%	1,541
Unrealized Gain/Loss on Investments	-	49,917	-100%	60,718
Net Transfers to/from Other Funds	(882,580) *	(805,158)	10%	4,381,617
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ 2,122,098</b>	<b>\$ 3,618,486</b>	<b>-41%</b>	<b>\$ 7,723,968</b>
<b>TOTAL CHANGE IN NET ASSETS</b>	<b>\$ (2,710,994)</b>	<b>\$ 165,238</b>	<b>-1741%</b>	<b>\$ 4,652,385</b>

\*See attached narrative.

HASTINGS COLLEGE OF THE LAW  
**Non-State Budget, Unrestricted Funds**  
**2020-21 Proposed Budget**

	<b>Proposed Budget 2020-21</b>	<b>Preliminary Year-end Actual 2019-20</b>	<b>Change from 2019-20 Year-end to 2020-21 Budget</b>	<b>Year-end Actual 2018-19</b>
<b>REVENUES</b>				
Dues/Memberships	\$ 320,000	\$ 148,500	115%	\$ 156,071
Fees	283,328	232,817	22%	447,592
Other Income	1,923,019 *	350,231	449%	663,122
Overhead Allowances	500	5,913	-92%	1,686
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 2,526,847</b>	<b>\$ 737,460</b>	<b>243%</b>	<b>\$ 1,268,471</b>
<b>EXPENSES</b>				
Instruction and Research				
Salaries and Benefits	845,369	856,102	-1%	667,386
Program Support	256,543	261,143	-2%	124,859
Public and Professional Services				
Salaries and Benefits	59,998	-	--	10,000
Program Support	24,300	2,748	784%	32,184
Academic Support				
Salaries and Benefits	8,325	7,500	11%	-
Program Support	61,365	36,733	67%	72,956
Student Services				
Salaries and Benefits	2,108	637	--	-
Program Support	770,417 *	90,090	755%	106,281
Institutional and Building Support				
Salaries and Benefits	828,362 *	792,790	4%	646,036
Program Support	1,803,600 *	2,237,575	-19%	1,734,263
Financial Aid				
Scholarships and Fellowships	109,893	148,331	-26%	29,563
Program Support	6,753	4,698	=	4,328
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 4,777,033</b>	<b>\$ 4,438,346</b>	<b>8%</b>	<b>\$ 3,427,856</b>
<b>NET OPERATIONS</b>	<b>\$ (2,250,186)</b>	<b>\$ (3,700,886)</b>	<b>-39%</b>	<b>\$ (2,159,385)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
UCH Foundation Grants and Other Donations	3,105,000 *	4,839,774	-36%	1,378,011
Investment Income	44,712	34,534	29%	37,034
Endowment Payout	304,702	304,703	0%	259,529
Endowment Management Fee	107,264	107,264	0%	101,751
Realized Gain/Loss on Sale of Investments	-	922	-100%	479
Unrealized Gain/Loss on Investments	-	140,452	-100%	334,943
Net Transfers to/from Other Funds	(326,816) *	(1,720,628)	-81%	(1,370,766)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ 3,234,862</b>	<b>\$ 3,707,021</b>	<b>-13%</b>	<b>\$ 740,981</b>
<b>TOTAL CHANGE IN NET ASSETS</b>	<b>\$ 984,676</b>	<b>\$ 6,135</b>	<b>15949%</b>	<b>\$ (1,418,405)</b>

\*See attached narrative.

## REPORT ITEM

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Preliminary 2019-20 Year-end Auxiliary Enterprises Budget Report
3. **REPORT:**

The 2019-20 preliminary year-end budget reports for auxiliary enterprises – McAllister Tower, Parking Garage, Student Health Services, Business Center, and Client Services Center – are attached. Major variances are outlined below.

## SUMMARY

On an overall basis auxiliary enterprises generated \$2,649,187 from operations and after debt service, overhead and other non-operating revenues (investment activities) are included the total change is \$1,438,306. Auxiliary Enterprises provides \$1,035.092 in administrative overhead assessments, cash transferred to the state unrestricted account. In 2019-20, Tower Reserves of \$6,500,000 were transferred to the College's Long Range Campus Plan project budgets funding expenditures for 333 Golden Gate and Kane Hall.

## McALLISTER TOWER

### Revenues

- Apartment and Commercial Rent – While commercial rents were received at budgeted amounts \$458,832, residential rent revenues at the Tower fell short of projections by \$630,000. With the COVID-19 global pandemic the College allowed student residents to break their leases and resident rental income for April-June 2020 was reduced by \$777,000 from what would have been expected based on prior month. Overall rental income was 89% of projected revenues for the year.

### Expenditures

- Maintenance and Special Repairs – This reporting category includes elevator maintenance, building maintenance, window washing, pest control and special repairs. Budgeted at midyear but deferred was \$30,000 for structural upgrades by Alpha Restoration. A provisional allocation for elevator repairs at \$20,000 remained unspent and budgetary savings in other categories result in total expenditures less than budgeted.

- Miscellaneous – An unspent allocation of \$75,500 exists in 2019-20 intended to cover the cost of renting furnishings for summer apartment rentals to non-Hastings tenants.
- Overhead Pro Rata – Administrative overhead to the College is based on 12% of operating revenues and with reduced rental income April-June the basis for overhead was reduced and \$604,000 instead of \$679,000 was expensed to the Tower.

### **Non-operating Revenues/(Expenses)**

- Unrealized Gain/Loss on Investments – The Tower’s share of the UC GEP market gains were \$98,339 in 2019-20.

## **PARKING GARAGE**

### **Revenues**

- Parking Operations – With actual revenues at \$2,009,365, budgeted revenues fell short of projections by \$534,479 or 21% less than projected, the result of reduced daily and monthly parkers during COVID-19 shelter-in-place months of March-June 2020. Fleet parking revenues remained on target at \$403,000.
- Parking Tax – A new contra-revenue category was budgeted at midyear for the parking tax effective June 2020. Projected at \$40,000 with an effective rate of 20% of that month’s transient parking revenues (excluding fleet parking), because of reduced revenues the actual tax assessed was \$11,930.
- Retail Leases – Subsequent to the COVID-19 shut down the College afforded its retail food service tenants Golden Era, Philz Coffee and Subway with rent discounts totaling \$17,457.

### **Expenses**

- Salaries and Wages – The collective bargaining agreement negotiated with AFSCME provided wage increases to garage staff that were not anticipated and totaled \$14,783. Two garage employees retired at the end of the year under the Voluntary Early Retirement Incentive Program and \$48,000 in accrued leave payouts and termination benefits were expensed.
- Maintenance and Special Repairs – Included in the midyear revised budget is \$200,000 to replace the Parking Garage’s revenue control systems. While payments have been made the expense will not be recognized until implementation is complete; a budget carryforward to 2020-21 is needed.
- Overhead Pro Rata – Administrative overhead to the College is based on 12% of operating revenues and with reduced revenues April-June resulting from the global pandemic the basis for overhead was reduced and \$283,000 instead of \$347,000 was expensed to the Garage.

**Attachments:** 2019-20 Preliminary Year-end Auxiliary Enterprises Budget Report

HASTINGS COLLEGE OF THE LAW  
 Auxiliary Enterprises -- 2019-20 Preliminary Year-end Actual Summary

	McAllister Tower	Parking Garage	Student Health	Business Center	Client Services Center	Total
<b>Revenues</b>	5,033,728	2,361,109	739,816	221,605	269,504	8,625,762
<b>Expenditures*</b>	3,366,193	1,023,950	947,528	359,515	118,252	5,815,438
<b>Net Operations</b>	1,667,535	1,337,159	(207,712)	(137,910)	151,252	2,810,323
<b>Nonoperating Revenues/(Expenses)</b>						
Investment Income	77,907	5,882	5,013	359	332	89,494
Realized and Unrealized Investment Gains	100,115	44	4,782			
Funded from Bond Proceeds	-	13,936	-	-	-	13,936
Debt Service	-	(1,404,598)	-	-	-	(1,404,598)
Transfer to/from Other Funds	(6,500,000)	-	-	-	(175,789)	(6,675,789)
<i>Sub-total</i>	(6,321,978)	(1,384,737)	9,795	359	(175,457)	(7,872,018)
<b>TOTAL CHANGE IN NET ASSETS</b>	<b>\$ (4,654,443)</b>	<b>\$ (47,578)</b>	<b>\$ (197,918)</b>	<b>\$ (137,551)</b>	<b>\$ (24,205)</b>	<b>\$ (5,061,694)</b>

\*Includes \$1,035,092 in administrative overhead assessments reflecting 12% of operating revenues. Absent these indirect costs and the LRCP funding transfer \$6,500,000 the budgeted net results for auxiliary enterprises is \$2,649,187.

HASTINGS COLLEGE OF THE LAW  
McAllister Tower Budget Report -- 2019-20

	Beginning Budget 2019-20	Revised Budget 2019-20	Preliminary Year-end Actual 2019-20	Preliminary Actual as a Percent of Revised Budget	Year-end Actual 2018-19
<b>REVENUES</b>					
Apartment & Commercial Rent	5,637,094	5,637,094	5,007,531 *	89%	5,410,303
Other	23,250	23,250	26,197	113%	21,534
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 5,660,344</b>	<b>\$ 5,660,344</b>	<b>\$ 5,033,728</b>	<b>89%</b>	<b>\$ 5,431,837</b>
<b>EXPENDITURES</b>					
Salaries and Wages	98,214	99,687	97,440	98%	90,228
Student Wages--Regular & Work-study	21,500	21,500	14,081	65%	18,046
Staff Benefits	33,393	33,894	32,873	97%	32,831
Regular Contract Services	1,358,044	1,231,010	1,141,467	93%	1,267,552
Other Contract Services	10,000	19,000	19,891	105%	945
Utilities	814,229	814,229	816,208	100%	788,331
Maintenance & Special Repairs	388,026	421,026	329,406 *	78%	240,453
Insurance	124,167	133,292	133,292	100%	124,167
Supplies	100,000	100,000	100,672	101%	81,771
Printing & Reproduction	1,800	1,800	104	6%	417
Telephone & Mail	776	776	804	104%	843
Miscellaneous	155,030	155,881	72,582 *	47%	80,261
Equipment & Building Improvements	-	1,626	3,326	205%	2,685
Overhead Pro Rata	679,241	679,241	604,047 *	89%	651,820
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 3,784,420</b>	<b>\$ 3,712,962</b>	<b>\$ 3,366,193</b>	<b>91%</b>	<b>\$ 3,380,350</b>
<b>NET OPERATIONS</b>	<b>\$ 1,875,924</b>	<b>\$ 1,947,382</b>	<b>\$ 1,667,535</b>	<b>86%</b>	<b>\$ 2,051,487</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment Income	75,000	75,000	77,907	104%	102,100
Realized Gain/Loss on Investments	-	-	1,776	--	88
Unrealized Gain/Loss on Investments	-	-	98,339 *	--	63,052
Transfer to Other Funds	-	(6,500,000)	(6,500,000) *	100%	-
<b>TOTAL NONOPERATING REVENUES</b>	<b>\$ 75,000</b>	<b>\$ (6,425,000)</b>	<b>\$ (6,321,978)</b>	<b>98%</b>	<b>\$ 165,240</b>
<b>TOTAL CHANGE IN NET ASSETS</b>	<b>\$ 1,950,924</b>	<b>\$ (4,477,618)</b>	<b>\$ (4,654,443)</b>	<b>104%</b>	<b>\$ 2,216,727</b>

\* See attached narrative.

## HASTINGS COLLEGE OF THE LAW

## Hastings Parking Garage and Retail Operations Budget Report -- 2019-20

	Beginning Budget 2019-20	Revised Budget 2019-20	Preliminary Year-end Actual 2019-20	Preliminary Actual as a Percent of Revised Budget	Year-end Actual 2018-19
<b>REVENUES</b>					
Parking Operations	2,276,861	2,543,844	2,009,365 *	79%	2,266,537
Parking Tax	-	(40,000)	(11,930) *	30%	-
Retail Leases	385,163	385,163	360,401 *	94%	373,461
Other (including Storage)	1,000	5,000	4,550	91%	1,095
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 2,663,024</b>	<b>\$ 2,894,007</b>	<b>\$ 2,362,386</b>	<b>82%</b>	<b>\$ 2,641,093</b>
<b>EXPENDITURES</b>					
Salaries and Wages	239,565	271,027	306,599 *	113%	234,776
Staff Benefits	81,452	92,149	83,834	91%	85,411
Regular Contract Services	123,576	128,529	126,359	98%	133,520
Other Contract Services	13,140	13,140	6,500	49%	265
Utilities	92,500	92,500	74,912	81%	93,841
Maintenance & Special Repairs	40,557	322,288	39,220 *	12%	40,677
Insurance	65,380	65,380	56,395	86%	65,380
Supplies	10,000	10,000	5,573	56%	7,576
Printing, Telephone and Mail	6,000	6,000	3,169	53%	2,532
Miscellaneous & Credit Card Fees	45,000	45,000	38,054	85%	47,591
Overhead Pro Rata	319,563	347,281	283,333 *	82%	317,469
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 1,036,733</b>	<b>\$ 1,393,294</b>	<b>\$ 1,023,950</b>	<b>73%</b>	<b>\$ 1,029,038</b>
<b>NET OPERATIONS</b>	<b>\$ 1,626,291</b>	<b>\$ 1,500,713</b>	<b>\$ 1,338,436</b>	<b>89%</b>	<b>\$ 1,612,055</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment Income	\$ 2,000	\$ 2,000	\$ 5,882	294%	\$ 831
Realized Gain/Loss on Investments	-	-	2	--	1
Unrealized Gain/Loss on Investments	-	-	42	--	359
Funded from Bond Proceeds	13,936	13,936	13,936	100%	13,936
Debt Service (Principal & Interest)	(1,406,447)	(1,404,599)	(1,404,598)	100%	(1,402,086)
Transfer from Other Funds	-	-	-	--	-
Cash Short/Over	-	-	(1,277)	--	4,485
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ (1,390,511)</b>	<b>\$ (1,388,663)</b>	<b>\$ (1,386,014)</b>	<b>100%</b>	<b>\$ (1,382,475)</b>
<b>TOTAL CHANGE IN NET ASSETS</b>	<b>\$ 235,780</b>	<b>\$ 112,050</b>	<b>\$ (47,578)</b>	<b>-42%</b>	<b>\$ 229,579</b>

\*See attached narrative.

HASTINGS COLLEGE OF THE LAW  
**Student Health Services Budget Report -- 2019-20**

	Beginning Budget 2019-20	Revised Budget 2019-20	Preliminary Year-end Actual 2019-20	Preliminary Actual as a Percent of Revised Budget	Year-end Actual 2018-19
<b>REVENUES</b>					
Fees	\$ 731,222	\$ 740,543	\$ 739,673	100%	\$ 693,281
Other	500	500	143	29%	485
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 731,722</b>	<b>\$ 741,043</b>	<b>\$ 739,816</b>	<b>100%</b>	<b>\$ 693,766</b>
<b>EXPENDITURES</b>					
Salaries and Wages	439,879	547,992	573,632	105%	427,527
Staff Benefits	78,364	114,442	95,378	83%	79,607
Consultants and Contracted Services	73,893	178,893	138,960	78%	67,724
Insurance	15,852	15,852	26,733	169%	15,852
Supplies	12,200	12,200	9,394	77%	15,354
Printing and Mail	1,900	1,900	3,097	163%	2,119
Travel & Training	8,000	8,000	8,156	102%	6,780
Miscellaneous	1,650	1,650	1,938	117%	1,731
Events	800	800	1,462	183%	864
Overhead Pro Rata	87,807	88,925	88,778	100%	83,252
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 720,345</b>	<b>\$ 970,654</b>	<b>\$ 947,528</b>	<b>98%</b>	<b>\$ 700,809</b>
<b>NET OPERATIONS</b>	<b>\$ 11,377</b>	<b>\$(229,611)</b>	<b>\$ (207,712)</b>	<b>90%</b>	<b>\$ (7,043)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment Income	6,500	6,500	5,013	77%	6,986
Realized Gain/Loss on Sale of Investments	-	-	62	--	0
Unrealized Gain/Loss on Investments	-	-	4,720	--	99
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ 6,500</b>	<b>\$ 6,500</b>	<b>\$ 9,795</b>	<b>151%</b>	<b>\$ 7,085</b>
<b>TOTAL CHANGE IN NET ASSETS</b>	<b>\$ 17,877</b>	<b>\$(223,111)</b>	<b>\$ (197,918)</b>	<b>89%</b>	<b>\$ 42</b>

\*See attached narrative.



HASTINGS COLLEGE OF THE LAW  
**Business Center Budget Report -- 2019-20**

	Budget 2019-20	Preliminary Year-end Actual 2019-20	Preliminary Actual as a Percent of Budget	Year-end Actual 2018-19
<b>REVENUES</b>				
Copy Services	\$ 305,000	\$ 221,605	73%	\$ 286,179
<b>TOTAL OPERATING REVENUES</b>	\$ 305,000	\$ 221,605	73%	\$ 286,179
<b>EXPENDITURES</b>				
Contracted Services	300,000	331,973	111%	287,296
Supplies	1,500	-	0%	-
Printing	250	935	374%	245
Miscellaneous	0	14	--	-
Overhead Pro Rata	36,600	26,593	73%	34,341
<b>TOTAL OPERATING EXPENDITURES</b>	\$ 338,350	\$ 359,515	106%	\$ 321,883
<b>NET OPERATIONS</b>	\$ (33,350)	\$ (137,910)	414%	\$ (35,703)
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment Income	500	359	72%	665
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	\$ 500	\$ 359	72%	\$ 665
<b>TOTAL CHANGE IN NET ASSETS</b>	\$ (32,850)	\$ (137,551)	419%	\$ (35,038)

\*See attached narrative.

HASTINGS COLLEGE OF THE LAW  
**Client Services Center -- 2019-20**

	Beginning Budget 2019-20	Preliminary Year-end Actual 2019-20	Preliminary Actual as a Percent of Budget	Year-end Actual 2018-19
<b>REVENUES</b>				
Room Rental	\$ 250,000	\$ 269,504	108%	\$ 228,713
<b>TOTAL OPERATING REVENUES</b>	\$ 250,000	\$ 269,504	108%	\$ 228,713
<b>EXPENDITURES</b>				
Staff Salaries and Wages	58,380	65,125	112%	58,296
Staff Benefits	19,849	19,598	99%	21,208
Supplies	1,670	768	46%	1,832
Printing and Mail	2,500	420	17%	1,299
Overhead Pro Rata	30,000	32,340	108%	26,054
<b>TOTAL OPERATING EXPENDITURES</b>	\$ 112,399	\$ 118,252	105%	\$ 108,688
<b>NET OPERATIONS</b>	\$ 137,601	\$ 151,252	110%	\$ 120,025
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment Income	-	332	--	-
Nonmandatory Transfers to/from Other Funds	(137,601)	(175,789)	128%	(95,820)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	\$(137,601)	\$(175,457)	128%	\$ (95,820)
<b>TOTAL CHANGE IN NET ASSETS</b>	\$ -	\$ (24,205)	--	\$ 24,205

\*See attached narrative.

## ACTION ITEM

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Long Range Campus Plan Budget for 2020-21

### 3. RECOMMENDATION

That the Finance Committee recommend that the Board of Directors approve the following non-state budget allocations to support the Long Range Campus Plan (LRCP).

### 4. BACKGROUND:

The LRCP is moving forward. The Cotchett Law Center at 333 Golden Gate Avenue has been completed and is fully permitted for occupancy. Tenant improvements on the 6<sup>th</sup> floor of Kane Hall at 200 McAllister are also completed and fully permitted. And most recently, the Hastings Campus Housing Finance Authority released the Preliminary Limited Offering Memorandum to commence project financing for the Hastings Campus Housing Project at 198 McAllister seeking purchasers for \$333 million in Series 2020A senior bonds and \$28 million in Series 2020B subordinated capital appreciation bonds (<https://www.munios.com/munios-notice.aspx?i=FTNNVTozvFr3>).

For 2020-21, the intent is to complete all projects financed by Hasting internal non-state funding sources, philanthropy and residual state deferred maintenance allocations.

#### **13.1 Kane Hall Improvements – 200 McAllister (48-16431) \$2,415,399**

The repurposing of underutilized space on the 1<sup>st</sup> floor of Kane Hall is underway with completion scheduled for November 2020. The scope of work includes the addition of two large classrooms, offices for Admissions, Financial Aid and Fiscal Services, the Business Center and an all-gender restroom. Also included is space designed for a historical commemorating of the Yuki people reflecting the recommendations of the Hastings Legacy Review Committee.

The funding plan is outlined below:

Sources:	
• Carry-over of Unexpended Funds (48-16431)	\$1,237,353
• Dean's Discretionary – Pledge Fulfillment (09-35002)	500,000
• Building Hastings – Pledge Fulfillment (42-36041)	178,046
• Building Hastings – New Gifts (42-36041)	500,000
<i>Total</i>	\$2,415,399
Uses:	
• Project Budget 2020-21 (48-16431)	\$2,415,399

### **13.2 Housing – 198 McAllister, Tower & Local 2 (09-35150) \$732,955**

An allocation is requested to continue development efforts for the Hastings Campus Housing Project and other activities related to the implementation of the LRCP and its strategic centerpiece, the Academic Village.

Sources:	
• Unrestricted – Hastings Digardi Hall (09-35150)	\$732,955
Uses:	
• Project Budget 2020-21 (09-35150)	\$732,955

### **13.3 The Cotchett Law Center – 333 Golden Gate \$254,534**

Final payment for equipment and contract services commitments in 2019-20 are to be incurred in 2020-21 at \$222,770 and a cash deficit of \$31,764 carried forward from 2019-20 are to be funded by cash gifts to Building Hastings.

Sources:	
• Building Hastings – Pledge Fulfillment (42-36041)	\$254,534
Uses:	
• Project Budget 2020-21 (42-36041)	\$254,534

### **13.4 Deferred Maintenance - 200 McAllister (48-16405) \$271,602**

Work is proceeding on the replacements and relocation of the emergency generator supporting Kane Hall. The Office of State Fire Marshal and the public notification period is nearing close from the Bay Area Air Quality Management District. The generator itself is already contracted for and encumbered; work remaining is the construction of the enclosure, ventilation and fire protection.

Sources:	
• Carry-over of Unexpended Funds (48-16405)	\$271,602
Uses:	
• Project Budget 2020-21 (48-16405)	\$271,602

## **5. PROPOSED RESOLUTION:**

Resolved, that the Finance Committee recommends that the Board of Directors authorizes the budget of the non-state budget allocations to support the Long Range Campus Plan (LRCP) as described in this report.

***Long Range Campus Plan - Budget Plan 2020-21***  
***Campus Housing Development***  
Account: 09-35150

***198 & 100 McAllister Campus Housing Project***

	<u>Initial Budget</u>
<b>Staff Stipends (5138)</b>	15,000
<b>Benefits Provision (5150)</b>	6,150
<b>Consultants (5231)</b>	
- Space Planning & Logistics	10,000
- Miscellaneous	10,000
<b><i>Sub-total</i></b>	20,000
<b>Other Contract Services (5247)</b>	
- Real Estate & Economic Consulting	235,000
- Real Estate & Economic Consulting	40,500
- Media for Ribbon Cutting	19,000
- Structural Engineering	66,000
- Cost Validation - GMP	70,305
<b><i>Sub-total</i></b>	430,805
<b>Printing (5290)</b>	1,000
<b>Legal Services (5403)</b>	
- Land Use & Entitlements	100,000
- Leases & Contracts	150,000
<b><i>Sub-total</i></b>	250,000
<b>Miscellaneous</b>	10,000
<b><i>Total</i></b>	\$ 732,955

**Long Range Campus Plan - Budget Plan 2020-21**

**200 McALLISTER - KANE HALL**

Account: 48-16431

	<u>Initial Budget</u>
<b>Other Contract Services (5247)</b>	
- Construction Services - 1st Floor	1,190,554
- Construction Contingency - 1st Floor	83,339
- Audio-Visual Consultant	6,000
- Design & Architectural Services	55,432
- Project Management	50,000
- Hastings Legacy Display	50,000
- Instructional Tech - Floor 1st	447,739
- Moving & Clean Out Expense	10,000
<b>Sub-total</b>	<b>1,893,064</b>
<b>Permits (5394)</b>	<b>3,000</b>
<b>Supplies (5370)</b>	<b>5,000</b>
<b>Inventory Purchases (5410)</b>	<b>-</b>
<b>Miscellaneous (5408)</b>	<b>100,000</b>
<b>Equipment - Capital (5811)</b>	
- FF&E - 1st Floor	378,535
- Miscellaneous	-
<b>Sub-total</b>	<b>378,535</b>
<b>Building Improvements (5813)</b>	
- Elevator Modifications	20,800
-Bike Cage Replacement	15,000
<b>Sub-total</b>	<b>35,800</b>
<b>Total</b>	<b>\$ 2,415,399</b>

**Long Range Campus Plan - Budget Plan 2020-21**  
**Deferred Maintenance - Facilities Projects**

Account: 48-16405

**Initial Budget**

**Other Contract Services (5247)**

	-
- Emergency Generator Enclosure	271,602
<b><i>Sub-total</i></b>	<b>271,602</b>

<b>Permits and Taxes (5394)</b>	-
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<b><i>Total</i></b>	<b>\$ 271,602</b>
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**Long Range Campus Plan - Budget Plan 2020-21**

**333 GOLDEN GATE**

Account: 48-16500

	<u>Budget</u>
<b>Other Contract Services (5247)</b>	
- Moving Expense	31,764
- Network Gear	52,418
<b><i>Sub-total</i></b>	<b>84,182</b>
<b>Equipment - Capital (5811)</b>	
- FF&E - All Floors	-
- Instructional Technology	170,352
- Network Gear & Other	-
<b><i>Sub-total</i></b>	<b>170,352</b>
<b><i>Total</i></b>	<b>\$ 254,534</b>



**ACTION ITEM**

- 1. REPORT BY:** Chief Financial Officer David Seward
- 2. SUBJECT:** State Contracts in Excess of \$50,000
- 3. RECOMMENDATIONS:**

That the Finance Committee recommends that the Board of Directors authorize award of the 2020-21 contracts in excess of \$50,000 as described in this report.

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**Item:** 14.1

**Title:** Digital Marketing – LLM & MSL Programs

**Vendor Name:** MF Digital

**Cost:** \$314,142

**Term of Contract:** Two Year Agreement, June 30, 2020 through June 29, 2022

**Description:**

Authority is requested to amend the contract with MF Digital Marketing, Inc. for additional digital marketing services in the amount of \$14,866 for the MSL and LLM degree programs. The professional services includes a demand generation and nurture campaign, including the cost of media purchases, for each program.

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**Item:** 14.2

**Title:** Digital Marketing – JD Program

**Vendor Name:** EAB Global, Inc.

**Cost:** \$50,628

**Term of Contract:** July 1, 2020 – June 30, 2021

**Description:**

Media Advertisement for Adult Learner Recruitment Services. Continuing online marketing strategy.

**Item:** 14.3

**Title:** Installation of Security Card Readers for Main Entrances, System Support and Monitoring

**Vendor Name:** Commercial Controls Corporation

**Cost:** \$61,140

**Term of Contract:** One year from installation

**Description:**

Authority is requested to enter into a one year contract with Commercial Controls Corporation Installation of Security Card Readers for Main Entrances and System Support & Monitoring for one year.

---

**Item:** 14.4

**Title:** Consulting Contract Extension – UCPATH

**Vendor Name:** HSV Solutions, Inc.

**Cost:** \$76,560

**Term of Contract:** One-time extension

**Description:**

Authority is requested to enter into a five month extension of the contract with HSV Solutions, Inc., to assist with UCPATH Software Implementation, Post Go-Live activities such as local reporting, labor ledger, CBR, and invoice reconciliation and Support Services for the UCPATH System for Hastings by the Consultant's Representative Shekar Kasarle. Original contract \$48,720; with this modification an increase of \$27,840.

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**Item:** 14.5

**Title:** Sidewalk Cleaning and Sidewalk Engagement Pilot -Ratification

**Vendor Name:** Tenderloin Community Benefit District (with Urban Alchemy)

**Cost:** \$652,076

**Term of Contract:** July 1, 2020 to June 30, 2021

**Description:**

Authority is requested to enter into a one year contract with the Tenderloin Community Benefit District for a Supplemental Cleaning and Urban Alchemy Sidewalk Engagement Program.

---

**Item:** 14.6

**Title:** Business Services Extension

**Vendor Name:** UCSF Documents and Media Services

**Cost:** \$430,935

**Term of Contract:** July 1, 2019 to June 30, 2024

**Description:** Authority is requested to enter into a five extension of the MOU with UCSF Documents and Media to operate and maintain the College's Business Services Center and Campus Wide Managed Print Services

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**Item:** 14.7

**Title:** West Library Maintenance Agreement

**Vendor Name:** West Group

**Cost:** \$139,300

**Term of Contract:** July 1, 2020 to January 31, 2021

**Description:**  
West Library Maintenance Agreement for upkeep and repair of online library resources.

---

**Item:** 14.8

**Title:** Document Processing Software / IT and Business Services

**Vendor Name:** DocuSign Government at Carahsoft

**Cost:** \$120,000

**Term of Contract:** July 31, 2020 to June 30, 2023

**Description:**  
Authority is requested to enter into a three year contract with DocuSign Government at Carahsoft for campus wide electronic signature and document processing Software (use and support).

---

#### **4. PROPOSED RESOLUTION:**

That the Finance Committee recommends that the Board of Directors authorize award of the 2020-21 state contracts in excess of \$50,000 listed below:

14.1 Digital Marketing – LLM & MSL Programs- MF Digital	\$314,142
14.2 Digital Marketing – JD Program- EAB Global, Inc.	\$50,628
14.3 Security Card Readers for Main Entrances, System Monitoring – Commercial Control Services	\$61,140
14.4 Contract Extension – UCPATH- HSV Solutions, Inc.	\$76,560
14.5 Sidewalk Cleaning and Sidewalk Engagement Pilot –Ratification – Tenderloin Community Benefit District (with Urban Alchemy)	\$652,076
14.6 Business Services Extension - UCSF Documents & Media Services	\$430,935
14.7 West Library Maintenance Agreement- West Group	\$139,300
14.8 Document Processing Software - IT / Business Services – DocuSign	\$120,000

## ACTION ITEM

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Non-state Contracts and Grants in Excess of \$50,000
3. **RECOMMENDATIONS:**

That the Finance Committee recommends that the Board of Directors authorize award of the 2020-21 non-state contracts and authorize the receipt of grants in excess of \$50,000 as described in this report.

---

**Item:** 15.1

**Title:** Bond Counsel – Campus Housing Project  
**Vendor Name:** Orrick, Herrington & Sutcliffe, LLP  
**Cost:** \$540,000  
**Term of Contract:** Through completion

**Description:**

In 2018, UC Hastings selected Orrick as bond and disclosure counsel in connection with the proposed issuance of approximately \$365 million in aggregate principal amount of bonds to finance the development, acquisition, and financing of a mixed-use residential student and faculty housing and retail project on land to be owned by the College. At that time, the board agreed on a fee that had a range topping out at \$475,000. The financing has increased in complexity (protracted negotiations with the YMCA, use of Capital Appreciation Bonds, etc.) and duration. An increase in the maximum payable is recommended. These costs are contingent to a successful financing will be factored in to the Cost of Issuance.

---

**Item:** 15.2

**Title:** Real Estate Development- Legal Counsel  
**Vendor Name:** Reuben, Junius and Rose  
**Cost:** \$50,000  
**Term of Contract:** Ongoing engagement

**Description:**

The scope of legal services is the Real Estate Development, specifically preparation for construction at 198 McAllister/50 Hyde Street including the development and execution of agreements with contiguous property owners.

---

**Item:** 15.3

**Title:** Student Healthcare Services  
**Vendor Name:** Carbon Health Technologies  
**Cost:** \$660,000  
**Term of Contract:** September 1, 2020 to August 31, 2021

**Description:**

This contract with Carbon Health Technologies, Inc. for Student Healthcare Services for one year was approved pursuant to Section 8.1.1 of the FOPM. The agreement includes two renewable one-year options. Ratification will be sought at the September 11, 2020 meeting.

---

**Item:** 15.4

**Title:** Construction Services – Roebuck – Amendments - Kane Hall  
**Vendor Name:** Roebuck Construction  
**Change Orders:** \$700,000 (not to exceed)  
**Term of Contract:** Through Completion

**Description:**

Contract authority was received for Roebuck Construction for \$4,250,000 in 2019-20 for the development of two new classrooms, new office space for Admissions, Financial Aid, the Business Center and an all-gender restroom. The scope of work also includes a student lounge and a location designated to accommodate a historical display as recommended by the Hastings Legacy Committee. A series of changes have been executed funded from project balances and budget augmentations totaling \$625,828 to date. Approval is requested to modify the contract by an amount up to \$4,950,000 to bring the project to completion, scheduled for November 2020.

---

**Item:** 15.5

**Title:** Project Management - LRCP  
**Vendor Name:** Conversion Management Associates  
**Cost:** \$50,000  
**Term of Contract:** July 1, 2020 – June 30, 2021

**Description:**

Authority is requested to extend the scope of Conversion Management Associates through completion of LRCP construction projects.

---

**Item:** 15.6

**Title:** Grant - Regulation versus Competition - Consortium

**Vendor Name:** Commonwealth Fund

**Revenue:** \$92,424

**Term of Contract:** July 1, 2020 through April 1, 2021

**Description:**

Authority is requested to enter into an eight month grant with the Commonwealth Fund to support research at The Source on Healthcare Price and Competition within the UCSF/ UC Hastings Consortium. The research will explore and analyze regulatory approaches to support competition and control costs in healthcare markets.

---

**Item:** 15.7

**Title:** Grant - Evolving Market Structures Affect Innovation & Drug Prices- C4i

**Vendor Name:** Commonwealth Fund

**Revenue:** \$169,446

**Term of Contract:** July1, 2020 through July 1, 2021

**Description:**

Authority is requested to enter into a grant with Commonwealth Fund to support research and to study How Evolving Market Structures Affect Innovation & Drug Prices in the Pharmaceutical Industry.

---

**Item:** 15.8

**Title:** Sub Award - Consortium

**Vendor Name:** Arnold Ventures & UC Regents

**Revenue:** \$114,229

**Term of Contract:** July14, 2020 to June 30, 2021

**Description:**

Authority is requested to accept a grant from the Commonwealth Fund for the Center for Innovation to examine how changes in the pharmaceutical market are affecting market structure, innovation, and drug pricing so that policymakers can gain evidence-based insights to inform effective policy solutions.

---

**Item:** 15.9  
**Title:** Grant –Merger and Consolidation Study – Consortium  
**Vendor Name:** Arnold Foundation  
**Revenue:** \$501,252  
**Term of Contract:** Through August 31, 2021

**Description:**

Authority is request grant installment of \$501,252 to grant from the Laura and John Arnold Foundation to support research and to study the Various State Merger Review Process on Healthcare consolidation.

---

**4. PROPOSED RESOLUTION:**

That the Finance Committee recommends that the Board of Directors authorize award of the 2019-20 non-state contracts and authorize the receipt of grants in excess of \$50,000 listed below:

15.1	Bond Counsel- Campus Housing Project – Orrick	\$540,000
15.2	Legal Services- LRCP - Reuben, Junius and Rose	\$50,000
15.3	Student Healthcare Services –Carbon Health Technologies- Ratification	\$660,000
15.4	Construction Services – Kane Hall- Roebuck Construction	\$700,000
15.5	Project Management – Kane Hall- Conversion Management Associates	\$50,000
15.6	Grant - Commonwealth Fund – Consortium & UC Berkeley	\$92,424
15.7	Grant - Commonwealth Fund - C4i & UC Berkeley	\$169,446
15.8	Sub-Award Arnold Ventures & UC Regents- Consortium	\$114,229
15.9	Grant – Arnold Foundation – Consortium	\$501,252



## ACTION ITEM

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Gift Fee and Endowment Cost Recovery Rate – Proposal to Increase

### 3. RECOMMENDATION:

That the Finance Committee recommends that the Board of Directors approve increasing the Gift Fee from 5% to 6% and the Endowment Cost Recovery Rate from .35% to .55%.

### 4. BACKGROUND

The fundraising effort is primarily supported by non-state funding sources including block grants from the UC Hastings Foundation, program and gift fees and allocation supported by the Endowment Management Cost Recovery Rate.

#### **Gift Fee**

The gift fee for UC Hastings is currently 5% and has remained unchanged since its adoption. The fee is assessed for the purpose of strengthening the development program and defraying a portion of related administrative costs. Gift fees do not apply to grants administered or to non-cash gifts (gifts-in-kind).

Gift fees vary by campus (and campus foundation).

<u>Institution</u>	<u>Fee</u>
UCSF	10%
UCLA	6.5%
UC Santa Cruz	6%
UC Davis	6%
UC San Diego	6%
UCSB	6%
UC Berkeley	5%
UC Merced	<u>5%</u>
<i>Average</i>	<b>6.3%</b>

Staff recommends that the Hastings Gift fee be increased from 5% to 6% to more closely align with the fees assessed at other campuses.

### **Endowment Management Cost Recovery Rate**

The Endowment Management Cost Recovery Rate is currently budgeted with at 35 basis points (0.35 percent) applied to distributions made from the General Endowment Pool for endowed funds. The funds recovered are to defray, in part, the cost of carrying out the terms of endowments and provide additional resources for the fundraising effort. This change would modify the payout rate from 4.35% to 4.55%.

As the College's fundraising efforts accelerate additional resources are needed. Proposed is an increase in the rate to 55 basis points (0.55 percent) on distributions made on or after October 1, 2020. This change will align Hastings policies with those adopted by The Regents of the University of California.

### **5. PROPOSED RESOLUTION:**

Resolved, that the Finance Committee recommend that the Board of Directors approve increasing the Gift Fee from 5% to 6% effective upon final approval.

Be it further resolved, that the Endowment Management Cost Recovery Rate be increased from 35 basis points (0.35%) to 55 basis points (0.55%) on distributions made on or after October 1, 2020.

## ACTION ITEM

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Contract and Service Agreement Renewals  
in Excess of \$50,000 for 2020-21
3. **RECOMMENDATIONS:**

That the Finance Committee recommends that the Board of Directors authorize execution of the 2012-21 Contract and Service Agreement Renewals in excess of \$50,000 as described in this report.

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The College's *Financial Operations Policy Manual* requires that contracts in excess of \$50,000 be reviewed and approved by the Board of Directors. In the conduct of its business, agreements are entered into that are renewed on an annual basis subject to continued performance, service and cost and program considerations.

<u>Vendor</u>	<u>Service</u>	<u>Amount</u>
United Educators [C/O Alliant]	General Liability, Excess Liability, Educators Legal and Licensed Professional Liability. Alliant's commission is capped at 12% of policy premiums and is included in the amount.	\$400,479
CHUBB [C/O Alliant]	Property / B&M, Cyber Liability, and Pollution Liability. Alliant's commission is capped at 12% of policy premiums and is included in the amount.	\$258,219
Alliant	Excess Liability, Crime and Garage Keepers Legal Liability Alliant's commission is capped at 12% of policy premiums and is included in the amount.	\$33,061
CSAC EIA	Excess Workers' Compensation Insurance and Medical Malpractice insurance program, paid directly to CSAC EIA.	\$123,100
UC Regents	Graduate Student Health Insurance Program (GSHIP)	\$1,700,000
Ellucian	Software - Hosted Services. The College's enterprise financial system	\$156,624
Ellucian	Software - Annual Maintenance	\$195,390
Concur	Expense Management Software for purchasing card and out-of-pocket expenses, as well as invoice payments.	\$65,000
UC Irvine	Online Time Reporting System (TRS) for hourly and salary staff, and student employees	\$65,000

Salesforce	Customer Relationship Management and Business Software for adjunct and consultant contracts, student cases, and other business workflows	\$53,000
Simplrr	Hosting of the College's intranet site	\$63,000
SHI International Corp	Overage coverage related to the Microsoft cloud system (Azure) in use by the college	\$67,254
LexisNexis	Access LexisNexis Digital Library	\$56,945
ExLibris	SaaS Subscription Services Annual Renewal	\$84,161
SCELC	Law Library Database	\$58,000
West Group	Westlaw Practice Ready program	\$91,000
Thomson/Reuters	Library database and program Maintenance Agreement	\$ 139,300
ePlus	Cisco Smartnet	\$33,286
TRISTAR Insurance	Continuation of Workers' Compensation TPA services and adding reporting services to UCPath	\$78,223
Bloomberg Bureau of National Affairs (BNA) Premier	Electronic Database for Law Library	\$62,630

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#### 4. PROPOSED RESOLUTION:

That the Finance Committee recommends that the Board of Directors authorize award of the 2020-21 Contract and Service Agreement Renewals in excess of \$50,000 as described in this report.

## ACTION ITEM

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Amendment to the *Financial Operations Policy Manual*
3. **RECOMMENDATION:**

That the Finance Committee recommends that the Board of Directors approve the revisions to the *Financial Operations Policy Manual* described below.

### 4. BACKGROUND

The *Financial Operations Policy Manual* provides the framework for the financial management of the College. It is regularly updated and revised to maintain its efficacy and to reflect modifications and improvements to business practices.

- Section 8.0 Purchasing and Procurement – Formalizes previously approved modifications to the section of the manual stipulating board approval of certain contracts; specifically, eliminating the requirement that the board approve any contract with a duration of over one year.

The proposed change is noted below:

8.1.1 Purchases of \$50,000 or More and/or with Contract Terms that Extend More Than One Year

a. Approval of the Board of Directors

For leases and contracts that are over \$50,000 prior approval by the Board of Directors must be secured.

In the event that prior approval by the full Board of Directors for leases and contracts over \$50,000 is impractical or unfeasible, the Chancellor and Dean may approve said leases or contracts after consultation with and approval by the Chair of the Board and the Chair of the Finance Committee and subject to notification of the full Board of Directors.

### 5. PROPOSED RESOLUTION:

Resolved, that the Finance Committee recommend that the Board of Directors approve modifications proposed to Section 8.0 of the *Financial Operations Policy Manual*.

## REPORT ITEM

1. **REPORT BY:** Director of Business Services Adrian Brown
2. **SUBJECT:** Annual Report on Insurance Coverage 2020-21
3. **REPORT:**

UC Hastings continues to work with Alliant Insurance Services as its broker and provider of insurance products and services. For 2020-21, United Educators continues to serve as the provider of liability coverages including general, excess, educators, and licensed professional lines.

The College is self-insured for workers' compensation, but carries an excess line through the California State Association of Counties Excess Insurance Authority, or CSAC-EIA. CSAC-EIA also provides medical malpractice coverage.

	2018-19	2019-20	2020-21	POLICY		PERCENT	
<u>COVERAGE</u>	<u>PREMIUM</u>	<u>PREMIUM</u>	<u>PREMIUM</u>	<u>LIMIT</u>	<u>RETENTION</u>	<u>CHANGE</u>	<u>CARRIER</u>
Workers Compensation Program							
Excess Insurance Premium	93,740	97,684	92,358	\$5M (stat.)	\$250K	-5.5%	CSAC - EIA
Claims Managements	20,000	20,000	19,500			-2.5%	TRISTAR Risk Management
Reserve for Loss	150,000	150,000	50,000				Hastings Self-Insurance
<i>Sub-total</i>	<i>93,740</i>	<i>97,684</i>	<i>\$ 92,358</i>				
General Liability	65,834	70,765	79,165	\$1M / \$3M	\$5K	11.9%	United Educators
Educators Legal Liability	117,989	128,009	155,916	\$25M	\$125K	21.8%	United Educators
Excess Liability	98,280	112,046	150,604	\$40M	-	34.4%	United Educators
Add'l Excess Liab	13,055	14,087	20,805	\$10M	-	47.7%	Merchants National Insurance
Garage Keepers Legal Liability	9,288	10,520	10,525	\$1M	\$5K	0.1%	Gotham Insurance
Legal Clinics (Licensed Professionals)	7,168	14,544	14,794	\$3M/\$6M	-	1.7%	United Educators
Medical Malpractice	15,852	31,000	30,743	\$21.5M	\$5K	-0.8%	CSAC EIA
<i>Sub-total</i>	<i>\$ 327,466</i>	<i>380,971</i>	<i>\$ 462,552</i>				
Property	201,414	188,800	232,028	\$291M Bldg/PP \$46M BI	\$100K	22.9%	CHUBB (Federal Insurance)
Cyber		10,992	15,730	\$2M	\$50K	43.1%	CHUBB (AXIS Insurance)
Pollution		9,752	10,287	\$2M	\$100K	5.5%	CHUBB (Illinois Union Insurance)
Crime	2,950	2,950	3,098	\$1M	\$2.5K	5.0%	National Union Fire
Automobile	780	642	342	N/A	N/A	-46.7%	DGS - ORIM
<i>Sub-total</i>	<i>\$ 205,144</i>	<i>213,136</i>	<i>\$ 261,485</i>				
<i>United Educators Dividend</i>	<i>(8,288)</i>	<i>-8,963</i>	<i>(8,963)</i>				United Educators
<i>Grand Total</i>	<i>\$ 618,062</i>	<i>\$ 682,828</i>	<i>\$ 807,432</i>			18.2%	

The primary driver of premium cost growth arose in the property lines of coverage and adding the College's new building, Cotchett Law Center (333 Golden Gate Avenue) to the property policy. Further, as a hedge in the event that the existing buildings at 198 McAllister and 50 Hyde are not demolished as part of the Hastings Campus Housing Project (i.e., the financing efforts are unsuccessful), a reduced level of coverage has been

bound with a \$5 million loss limit; this coverage will be rescinded if the project moves forward. In total, premiums for 2020-21 are \$807,432, an 18.2% increase over the prior year.

Other major changes are occurring on campus. Carbon Health will be replacing the on-site campus health center in August 2020. To assure that coverage exists from any trailing claims attributable to potential liabilities arising, medical malpractice coverage has been preserved. Coverage will not be renewed for the 2021-22 renewal period. The College's liability insurance provider, United Educators, requires periodic risk management training and/or distribution of information to select individuals or groups at the college as a condition of binding coverage. This year, UE required that the College's staff undergo an online training entitled "Data Security – Malware, Mobile Security and Third-Party Websites, Passwords, Phishing, and Physical Security and Unintended Disclosures".

**Attachments**

- United Educators Insurance; Training on Data Security
- UC Hastings Commercial Insurance Binders 2020-21

## Brown, Adrian

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**From:** Brown, Adrian  
**Sent:** Tuesday, April 14, 2020 9:43 AM  
**To:** Purchasing  
**Subject:** United Educators Insurance; Training on Data Security  
**Attachments:** 04142020 United Educators Training Email Blast.pdf

Hello UC Hastings Faculty and Staff,

We hope you are all well and safe.

We ask that you complete the following courses:

- Data Security: Malware;
- Data Security: Mobile Security and Third-Party Websites;
- Data Security: Passwords;
- Data Security: Phishing;
- Data Security: Physical Security and Unintended Disclosures

The deadline to complete this course is: May 1, 2020

To begin training go to <https://learn.ue.org/Login2.aspx>

Enter your login credentials.

- Username: Your Full UC Hastings email address
  - Password: Welcome1!

The first time you log in, the system will prompt you to reset your temporary password and set a security question.

- You will receive a confirmation email upon successful completion of each course.

### Need Help?

If you have any issues with sign-in or accessing the courses, visit the Support Portal at [portalhelp.ue.org](https://portalhelp.ue.org) Or click any Support Portal link on the site.

You may also wish to [Test Your Configuration](#) to ensure your computer meets all System Requirements


All other questions should be directed to Adrian Brown at [brownadrian@uchastings.edu.com](mailto:brownadrian@uchastings.edu.com)

Thank you for your time and cooperation in completing this essential training program.

Adrian  
Adrian Brown, JD, CPPO  
Director of Business Services  
UC Hastings College of the Law  
200 McAllister Street



San Francisco, CA 94102

Tel: (415) 565-4604 

Email: [brownadrian@UCHastings.edu](mailto:brownadrian@UCHastings.edu)

## BINDER

06/29/2020

Jo Anne Roque  
Alliant Insurance Services, San Francisco  
100 Pine Street  
11th Floor  
San Francisco, CA 94111

Re: Member Name: University of California Hastings College of the Law  
Policy Number: B57-34Y  
Coverage: Educators Legal Liability, Primary General Liability, Excess General Liability and Internship and Professional Liability  
Policy Period: 07/01/2020 to 07/01/2021

Dear Jo Anne,

Thank you for your order. Coverage is bound per your written request and subject to the terms of the proposal dated 05/05/2020.

### PREMIUM SUMMARY

#### GENERAL LIABILITY

##### Primary General Liability:

Option	Limit of Liability per Occurrence	Annual Aggregate	Deductible	Premium Before Credits	Credits	Premium After Credits	Commission	Total Due
			Aggregate Deductible				State Tax	
							Paid-in Surplus Contribution*	
1	\$1,000,000	\$3,000,000	\$5,000	\$84,218	\$5,053	\$79,165	\$9,500	\$79,165
			Nil				\$0	
							\$0	

\*Paid-in Surplus Contribution (PSC) is only applicable to new UE policyholders

**Excess General Liability:**

Option	Limit of Liability per Occurrence	Annual Aggregate	Underlying Limit Retention per Occurrence	Premium Before Credits	Credits	Premium After Credits	Commission	Total Due
		Product, Completed Operations, and Employee Occupational Disease					State Tax	
		Sexual Abuse					Paid-in Surplus Contribution*	
		Athletic TBI						
1	\$40,000,000	\$40,000,000 \$40,000,000 \$40,000,000	\$1,000,000	\$160,217	\$9,613	\$150,604	\$18,072 \$0 \$0	\$150,604

\*Paid-in Surplus Contribution (PSC) is only applicable to new UE policyholders

**MANAGEMENT LIABILITY**
**Educators Legal Liability:**

Option	Limit of Liability per Claim	Self-Insured Retention per Claim	Defense Provision	Premium Before Credits	Credits	Premium After Credits	Commission	Total Due
		Non-Indemnifiable trustees, officers					State Tax	
		Wrongful Employment Practices					Paid-in Surplus Contribution*	
		Each Other						
1	\$25,000,000	\$0 \$125,000 \$125,000	Select	\$165,868	\$9,952	\$155,916	\$15,592 \$0 \$0	\$155,916

\*Paid-in Surplus Contribution (PSC) is only applicable to new UE policyholders

**PROFESSIONAL LIABILITY**
**Internship and Professional Liability:**

Option	Limit of Liability per Claim	Annual Aggregate	Deductible/ Self Insured Retention	Coverage	Premium Before Credits	Credits	Premium After Credits	Commission	Total Due
								State Tax	
								Paid-in Surplus Contribution*	
1	\$3,000,000	\$6,000,000	Deductible \$0	Blanket Coverage	\$14,794	\$0	\$14,794	\$1,479 \$0 \$0	\$14,794

\*Paid-in Surplus Contribution (PSC) is only applicable to new UE policyholders

To issue and release policies, we will need the following:

- None

The invoice for the net amount is attached.



We appreciate your confidence in placing coverage with United Educators. We look forward to serving you and our mutual client during the coming year.

Sincerely,

*Eduardo Del Cid*

Eduardo Del Cid  
Underwriter III  
United Educators  
(240) 802-4111 | edelcidmartinez@ue.org  
[www.ue.org](http://www.ue.org)



AmWINS Insurance Brokerage of California, LLC  
21550 Oxnard Street  
Suite 1100  
Woodland Hills, CA 91367  
  
amwins.com

June 30, 2020

JoAnne Roque  
Alliant Insurance Services, Inc.  
100 Pine Street  
11th Floor  
San Francisco, CA 94111

RE: UC Hastings College of Law

## EXCESS LIABILITY CONFIRMATION OF COVERAGE

Dear JoAnne:

In accordance with your instructions to bind, please find the attached Binder for UC Hastings College of Law which confirms that coverage is bound for your client as follows:

**DATE OF ISSUANCE:** 6/30/2020

**INSURED:** UC Hastings College of Law

**MAILING ADDRESS:** 200 McAllister Street  
San Francisco, CA 94102

**CARRIER:** Merchants National Insurance Company  
(Non-Admitted in the State of CA, AM Best Rating: A- VIII, Outlook: Stable)

**POLICY NUMBER:** EXL0000736

**POLICY PERIOD:** From 7/1/2020 to 7/1/2021  
12:01 A.M. Standard Time at the Mailing Address shown above

**POLICY PREMIUM:**

Premium	\$20,000.00
TRIA	Rejected
Fees	\$150.00
Surplus Lines Taxes and Fees	\$654.88
<b>Total</b>	<b>\$20,804.88</b>

**COMMISSION:** 10.000% of premium excluding fees and taxes

**ADDITIONAL TERMS AND CONDITIONS:** Please refer to binder

## SURPLUS LINES TAX SUMMARY

HOME STATE: California

### FEES:

Fee	Taxable	Amount
Market Policy Fee	Yes	\$150.00
<b>Total Fees</b>		<b>\$150.00</b>

### SURPLUS LINES TAX CALCULATION:

State	Description	Taxable Premium	Taxable Fee	Tax Basis	Rate	Tax
California	Surplus Lines Tax	\$20,000.00	\$150.00	\$20,150.00	3.00%	\$604.50
	Stamping Fee	\$20,000.00	\$150.00	\$20,150.00	0.25%	\$50.38
<b>Total Surplus Lines Taxes and Fees</b>						<b>\$654.88</b>

**Important Notice:** Surplus Lines Tax Rates and Regulations are subject to change which could result in an increase or decrease of the total Surplus Lines Taxes and Fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes owed must be promptly remitted.

The attached Binder from the carrier sets forth the coverage as bound. Please review carefully with your client to ensure the bound coverage matches the terms and conditions of the bind order. It is your responsibility to ensure the bound terms and conditions are accurate and consistent with the agreed bind order terms.

If after reviewing you should have any questions or requested changes, please let us know as soon as possible so we can discuss with the carrier.

Thank you for your business. We truly appreciate it.

Sincerely,

**Brian Frost**

AmWINS Insurance Brokerage of California, LLC  
T 818.772.3831 | M 818.406.2921 | F 818.773.6000 | brian.frost@amwins.com  
21550 Oxnard Street | Suite 1100 | Woodland Hills, CA 91367 | amwins.com

License 0C01319

California

**IMPORTANT NOTICE:**

- 1. The insurance policy that you have purchased is being issued by an insurer that is not licensed by the State of California. These companies are called "nonadmitted" or "surplus line" insurers.**
- 2. The insurer is not subject to the financial solvency regulation and enforcement that apply to California licensed insurers.**
- 3. The insurer does not participate in any of the insurance guarantee funds created by California law. Therefore, these funds will not pay your claims or protect your assets if the insurer becomes insolvent and is unable to make payments as promised.**
- 4. The insurer should be licensed either as a foreign insurer in another state in the United States or as a non-United States (alien) insurer. You should ask questions of your insurance agent, broker, or "surplus line" broker or contact the California Department of Insurance at the toll-free number 1-800-927-4357 or internet website [www.insurance.ca.gov](http://www.insurance.ca.gov). Ask whether or not the insurer is licensed as a foreign or non-United States (alien) insurer and for additional information about the insurer. You may also visit the NAIC's internet website at [www.naic.org](http://www.naic.org). The NAIC-the National Association of Insurance Commissioners-is the regulatory**

**support organization created and governed by the chief insurance regulators in the United States.**

**5. Foreign insurers should be licensed by a state in the United States and you may contact that state's department of insurance to obtain more information about that insurer. You can find a link to each state from this NAIC internet website: [https://naic.org/state\\_web\\_map.htm](https://naic.org/state_web_map.htm).**

**6. For non-United States (alien) insurers, the insurer should be licensed by a country outside of the United States and should be on the NAIC's International Insurers Department (IID) listing of approved nonadmitted non-United States insurers. Ask your agent, broker, or "surplus line" broker to obtain more information about that insurer.**

**7. California maintains a "List of Approved Surplus Line Insurers (LASLI)." Ask your agent or broker if the insurer is on that list, or view that list at the internet website of the California Department of Insurance: <http://www.insurance.ca.gov/01-consumers/120-company/07-lasli/lasli.cfm>**

**8. If you, as the applicant, required that the insurance policy you have purchased be effective immediately, either because existing coverage was going to lapse within two business days or because you were required to have coverage within two business days, and you did not receive this disclosure form and a request for your signature until after coverage became effective, you have the right to cancel this policy within five**



**days of receiving this disclosure. If you cancel coverage, the premium will be prorated and any broker's fee charged for this insurance will be returned to you.**

**D-2 (Effective January 1, 2020)**



In California, dba WH Greene & Associates Insurance Brokers

## CONFIRMATION OF COVERAGE-REVISED FOR COMMISSION

THE TERMS AND CONDITIONS OF THIS CONFIRMATION OF INSURANCE MAY NOT COMPLY WITH THE SPECIFICATIONS SUBMITTED FOR CONSIDERATION. PLEASE READ THIS CONFIRMATION CAREFULLY AND COMPARE IT WITH ANY QUOTE AND SUBMISSION DOCUMENTS AND REVIEW THE POLICY FORMS FOR THE ACTUAL COVERAGES PROVIDED.

IN ACCORDANCE WITH YOUR INSTRUCTIONS, AND IN RELIANCE UPON THE STATEMENTS MADE BY THE RETAIL BROKER IN THE INSURED'S APPLICATION/SUBMISSION, WE HAVE OBTAINED INSURANCE AT YOUR REQUEST AS FOLLOWS:

**DATE ISSUED:** 06/30/2020

**PRODUCER:** AmWINS Insurance Brokerage of CA Woodland Hills  
21550 Oxnard Street,  
Woodland Hills, CA 91367

**INSURED:** Hastings College of the Law,  
200 McAllister Street  
San Francisco, CA 94102

**INSURER:** Merchants National Insurance Company (NA)  
Non-Admitted

**POLICY NO.:** EXL0000736

**COVERAGE:** Excess Casualty

**POLICY PERIOD:** 07/01/2020 TO 07/01/2021

**TERM:** 1 Year

12:01 A.M. STANDARD TIME AT THE LOCATION ADDRESS OF THE NAMED INSURED. THIS INSURANCE BINDER WILL BE TERMINATED AND SUPERSEDED UPON DELIVERY OF THE FORMAL POLICY(IES) ISSUED TO REPLACE IT.

**LIMITS OF LIABILITY:** \$ 10,000,000 Occurrence  
\$ 10,000,000 Aggregate

**EXCESS OF:**  
40mm Excess United Educators

**TRIA:** Rejected \$ 0.00

**PREMIUM:** \$ 20,000.00 Annual Premium  
\$ 150.00 Policy fee  
\$ 20,150.00 Total Gross Amount



In California, dba WH Greene & Associates Insurance Brokers

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**TERMS / CONDITIONS:**

(a) **THE PREMIUM SHOWN IS THE ANNUAL MINIMUM AND DEPOSIT PREMIUM SUBJECT TO 25.0% MINIMUM EARNED PREMIUM FULLY EARNED AT INCEPTION.**

**(b) ENDORSEMENTS / NOTABLE EXCLUSIONS:**

**Terms:**

EXCLUSIONS INCLUDE BUT ARE NOT LIMITED TO:

Silica

Asbestos

Lead

War / Terrorism

ERISA

Discrimination

EPL

Fungi / Bacteria

Cyber Exclusion

Communicable Disease

OFAC

pollution with hostile fire & hvac exception

**ATTACHMENTS:**

State Amend. Endt.

Unimpaired Underlying Aggregate Limits

Service of Suits

aggregate limits

**(c) ATTACHMENTS / SUBJECT TO:**

WITHIN 50 DAYS OF BINDING - Complete Copy - Underlying Excess Policy

**NOTE:** If we do not receive a copy of the underlying policies, our policy will be canceled. If the terms of any underlying policy differ from those advised to us, the insurer reserves the right to endorse the policy with additional exclusions or limitation endorsements.

**PREMIUM WILL STILL BE DUE 30 DAYS FROM EFFECTIVE DATE – NOT DATE INVOICED.**

All underlying carriers AM Best rated A-VI , B+VII or better.

**(d) ALL OTHER TERMS AND CONDITIONS APPLY PER FORM**



**W H Greene Associates Inc 400 Quaker Rd \* East Aurora, NY 14052**

**Phone: (716) 805-1090 \* Web: <http://www.whgreene.com/>**

**In California, dba WH Greene & Associates Insurance Brokers**

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**CANCELLATION: THIS POLICY IS SUBJECT TO THE CANCELLATION PROVISIONS AS FOUND IN THE POLICY(IES) OR CERTIFICATE(S) CURRENTLY IN USE BY THE INSURER. THE INSURANCE EFFECTED UNDER THE INSURER'S BINDER CAN BE CANCELLED BY THE INSURER (SUBJECT TO STATUTORY REGULATIONS) BY MAILING, TO THE INSURED AT THE ADDRESS STATED ON THE FACE OF THIS CONFIRMATION OF INSURANCE, WRITTEN NOTICE STATING WHEN SUCH CANCELLATION SHALL BE EFFECTIVE. IN THE EVENT OF CANCELLATION BY THE INSURED, THE EARNED PREMIUM WOULD BE SUBJECT TO THE MINIMUM PREMIUM IF APPLICABLE.**

**THIS CONFIRMATION OF INSURANCE IS ISSUED BASED UPON THE INSURER'S AGREEMENT TO BIND AND IS ISSUED BY THE UNDERSIGNED WITHOUT ANY LIABILITY WHATSOEVER AS AN INSURER.**

**PREMIUM PAYMENT IS DUE WITHIN (30) DAYS FROM EFFECTIVE DATE.**

**INSURED: Hastings College of the Law  
DATE ISSUED: 06/30/2020**

**California: (Attach D1 or D2)**

Surplus Lines Broker Name: Alliant Specialty Insurance Services, Inc.

Address of the Licensee: P.O. Box 609015  
San Diego, CA 92160

License number: 0558510

Surplus Lines Premium: \$10,194.00

Surplus Lines Tax: \$305.82

Surplus Lines Stamping Fee: \$25.49

## **IMPORTANT NOTICE:**

- 1. The insurance policy that you have purchased is being issued by an insurer that is not licensed by the State of California. These companies are called “nonadmitted” or “surplus line” insurers.**
- 2. The insurer is not subject to the financial solvency regulation and enforcement that apply to California licensed insurers.**
- 3. The insurer does not participate in any of the insurance guarantee funds created by California law. Therefore, these funds will not pay your claims or protect your assets if the insurer becomes insolvent and is unable to make payments as promised.**
- 4. The insurer should be licensed either as a foreign insurer in another state in the United States or as a non-United States (alien) insurer. You should ask questions of your insurance agent, broker, or “surplus line” broker or contact the California Department of Insurance at the toll-free number 1-800-927-4357 or internet website [www.insurance.ca.gov](http://www.insurance.ca.gov). Ask whether or not the insurer is licensed as a foreign or non-United States (alien) insurer and for additional information about the insurer. You may also visit the NAIC’s internet website at [www.naic.org](http://www.naic.org). The NAIC—the National Association of Insurance Commissioners—is the regulatory support organization created and governed by the chief insurance regulators in the United States.**
- 5. Foreign insurers should be licensed by a state in the United States and you may contact that state’s department of insurance to obtain more information about that insurer. You can find a link to each state from this NAIC internet website: [https://naic.org/state\\_web\\_map.htm](https://naic.org/state_web_map.htm).**
- 6. For non-United States (alien) insurers, the insurer should be licensed by a country outside of the United States and should be on**

**the NAIC's International Insurers Department (IID) listing of approved nonadmitted non-United States insurers. Ask your agent, broker, or "surplus line" broker to obtain more information about that insurer.**

**7. California maintains a "List of Approved Surplus Line Insurers (LASLI)." Ask your agent or broker if the insurer is on that list, or view that list at the internet website of the California Department of Insurance: [www.insurance.ca.gov/01-consumers/120-company/07-lasli/lasli.cfm](http://www.insurance.ca.gov/01-consumers/120-company/07-lasli/lasli.cfm).**

**8. If you, as the applicant, required that the insurance policy you have purchased be effective immediately, either because existing coverage was going to lapse within two business days or because you were required to have coverage within two business days, and you did not receive this disclosure form and a request for your signature until after coverage became effective, you have the right to cancel this policy within five days of receiving this disclosure. If you cancel coverage, the premium will be prorated and any broker's fee charged for this insurance will be returned to you.**

**D-2 (Effective January 1, 2020)**

July 2, 2020

### General Liability / GarageKeepers Legal Liability Binder

**Named Insured:** UC Hastings College of Law  
**Address:** 200 McAllister Street  
San Francisco, CA 94102

**Policy Number:** GL2020PKF00038

**Effective Date:** July 1, 2020      **Expiration Date:** July 1, 2021

**Filing State**      **CALIFORNIA**

**Surplus Lines Agent**      Alliant Specialty Insurance Services Inc      **License Number:**      0558510  
**Address**      PO Box 609015  
**City, State, Zip**      San Diego, CA 92160

**Contact**      Alliant Insurance Services, Inc.  
**Address**      100 Pine Street, 11th Floor  
**City, State, Zip**      San Francisco, CA 94111

**Phone**      (415) 403-1400

**Description of Operations:**      Parking Operations

**Carrier:**      **Gotham Insurance Company**      **59 Maiden Lane, #2700, New York, NY 10038-4647**

**Binder Term:**      **From:**      7/1/2020      **To:**      8/30/2020

**Terms and Conditions:** This binder is a temporary insurance contract, subject to the conditions shown on page 5 of this form.

Premium and Fees:			
100% Deposit Premium		\$	10,194.00
Surplus Lines Taxes	3.000%	\$	305.82
STAMPING FEES	0.250%	\$	25.49
OTHER FEES	0.000%	\$	-
Total excluding Terrorism Coverage		\$	10,525.31
Terrorism Coverage Elected	No	\$	-
Surplus Lines Taxes	3.000%	\$	-
STAMPING FEES	0.250%	\$	-
OTHER FEES	0.000%	\$	-
Total with Terrorism Coverage		\$	-

**Disclosure:**

This binder is a temporary 60 day contract of insurance pending policy issuance. It is subject of all the terms and conditions of the forthcoming policy. Upon issuance of the policy, this binder will be null and void from inception. Please review the information contained in this binder to ensure accuracy noting any conditions that must be met for the binder to remain in effect.

**IMPORTANT NOTICE:** THE NONADMITTED & REINSURANCE REFORM ACT (NRRA) GOES INTO EFFECT ON JULY 21, 2011. ACCORDINGLY, SURPLUS LINES TAX RATES AND REGULATIONS ARE SUBJECT TO CHANGE WHICH COULD RESULT IN AN INCREASE OR DECREASE OF THE TOTAL SURPLUS LINES TAXES AND/OR FEES OWED ON THIS PLACEMENT. IF A CHANGE IS REQUIRED, WE WILL PROMPTLY NOTIFY YOU. ANY ADDITIONAL TAXES AND/OR FEES OWED MUST BE PROMPTLY REMITTED TO ALLIANT SPECIALTY INSURANCE SERVICES, INC.



Alliant Specialty Insurance Services, Inc  
PO Box 609015, San Diego, CA 92160



July 2, 2020

**Policy Number:** GL2020PKF00038

**Insured's Name:** UC Hastings College of Law

SLA Alliant Specialty Insurance Services Inc  
Address PO Box 609015  
San Diego, CA 92160

License Number: 0558510

Insurance Company: **Gotham Insurance Company**  
**59 Maiden Lane, #2700, New York, NY 10038-4647**

AM Best Rating:  
**"A-" (Excellent)**

**Effective Date:** July 1, 2020

**Expiration Date:** July 1, 2021

### Confirmation of Coverage's

This letter summarizes the terms and conditions for which the following insurance coverage's are offered by Gotham Insurance Company. Please review this letter carefully as the terms may vary from the coverage's, limits and other provisions requested in the application.

Coverage	Limits of Insurance	
Commercial General Liability	\$ 1,000,000	Each Occ.
	\$ 2,000,000	Aggregate Per Location
Products - Completed Operations Aggregate Limit	\$ 1,000,000	Aggregate Per Location
Personal and Advertising Injury Limit	\$ 1,000,000	Aggregate Per Location
Damage to Premises Rented to You	\$ 100,000	Aggregate Per Location
GarageKeepers Legal Liability	\$ 350,000	Per Vehicle
	\$ 1,000,000	Per Occurrence
	\$ 2,000,000	Aggregate Per Location
Additional Coverage Highlights		
Additional Insured Status	Included	
Primary and Non-Contributory Wording	Included	
Waiver of Transfer of Rights of Others	Included	
Broad Named Insured	Included	
100% minimum earned premium	Included	
0% growth at no additional premium	Included	
The following coverage's only apply if a premium amount is shown under the premium detail section of this proposal		
Hired Auto Liability	Not Covered	Per Occurrence
Non-Owned Auto Liability	Not Covered	Per Occurrence
Parking Operations Errors & Omissions Liability	\$ 1,000,000	Each Wrongful Act
Employee Benefits Liability (CLAIMS MADE) DEDUCTIBLE: \$1,000 RETRO DATE:	Not Covered  N/A	Each Employee & General Aggregate
Data Compromise Coverage - Response Expenses & Defense and Liability	\$5,000/\$5,000	Forensic IT/Legal Review Sublimit
DEDUCTIBLE: \$2,500	\$ 50,000	Annual Aggregate
Identity Recovery Coverage; DEDUCTIBLE: \$250	\$ 15,000	Annual Aggregate

Total Premium (excluding TRIA):	\$	10,194.00	
Surplus Lines Taxes	3.000%	\$	305.82
STAMPING FEES	0.250%	\$	25.49
OTHER FEES	0.000%	\$	-
<b>Total Premium (excluding TRIA) and Surplus Lines Taxes &amp; Fees (100% Due at Bind):</b>		<b>\$</b>	<b>10,525.31</b>
Terrorism Coverage Premium (Optional)	\$	-	
Surplus Lines Taxes	3.000%	\$	-
STAMPING FEES	0.250%	\$	-
OTHER FEES	0.000%	\$	-
<b>Total Premium Including TRIA and Surplus Lines Taxes &amp; Fees (100% Due at Bind):</b>		<b>\$</b>	<b>-</b>

**Terrorism information:**

Refers to terrorism losses covered by the Terrorism Risk Insurance. Read the included important information Notice Regarding Terrorism Coverage, which outlines both the federal government's and the insurance company's payment obligations under the Terrorism Risk Insurance Act of 2002 (TRIA).

**Inspection information:**

The insured must comply with any recommendations that result from the inspection in order to remain in good standing with the insurance company.

**TPA Information:**

The policy is issued with a Self-Insured Retention, so a Third Party Administrator must handle all claims that fall within the SIR limit. Read the included Important Notice Regarding Third-Party Administrators and Claims Handling; this must be completed by the insured prior to binding coverage.

**Premium is 100% advance and deposit:**

If the final audit develops a net premium that is greater than the advance and deposit premium then the additional premium shall be due upon notice to the insured.

**Premium 25% minimum earned:**

The insurance company will retain at least 25% of the premium if the policy is cancelled before its expiration.

**Self Insured Retention Information:** \$5,000/\$10,000 SIR per occurrence

\$5,000 Self-Insured Retention applies except where \$10,000 Self-Insured Retention applies to the theft of a vehicle.

The Self-Insured Retention is a single SIR with respects to General Liability and GarageKeepers Legal Liability including the cost of defense.

**Audit information:**

Quarterly Bordereau reporting. Additions and deletions of the insured's locations and spaces are reported via a quarterly bordereau (due within 30 days of each quarter and the expiration date), which the program administrator will provide. The information reported forms the bases for the final audit at the end of the policy term.

**Surplus lines policy:**

Insurance company is non-admitted, so surplus lines taxes and fees apply for the insured's state.

**Premium Detail**

Class Description	Exposure	Basis	Rate	Manual Premium
Parking, Public: Self-Parking:	395	Per space	\$ 20.66	\$ 8,161.00
Parking, Public: Assisted Parking	0	Per space	\$ 46.42	\$ -
Parking, Public: Valet	0	Per space	\$ 192.32	\$ -
Special Events	0	Per event	\$ 192.32	\$ -
Incidental on-site hand car washes	0	Revenue	\$ -	\$ -
Golf Carts - <b>SERVICE, EMPLOYEES ONLY</b>	1	Per Cart	\$ 248.00	\$ 248.00
Golf Carts - <b>PATRON TRANSPORTATION</b>	0	Per Cart	\$ -	\$ -
Non-owned auto liability	0	Per employee	\$ -	\$ -
Hired auto liability	0	Number of Days	TIERED	\$ -
Employee Benefits Liability	0	Per employee	TIERED	\$ -
Damage to rented premises \$500,000	0	Per location	TIERED	\$ -
Damage to rented premises \$1,000,000	0	Per location	TIERED	\$ -
Parking Operations E & O	1	Per employee	TIERED	\$ 225.00
			\$ -	\$ -
Data Compromise Coverage - Response Expenses & Defense and Liability	Limit	\$	180.00	\$ 180.00
Identity Recovery Coverage	Limit	\$	14.00	\$ 14.00
<b>Total Certified Parking Professional Credits</b>				\$ -
<b>Total Premium (Rounded) Less Fees / TRIA</b>				<b>\$ 10,194.00</b>

\*Please verify all coverages, terms and conditions on this proposal as they may vary from those requested on the application.

\*\*As the appointed program administrator for Gotham Insurance Company, we may amend or withdraw this proposal if we become aware of any new or updated information which could change it's underwriting evaluation. Furthermore, if during the course of the policy effective period, the insured should add locations in any new territories we reserve the right to amend the policy rated based on these new exposures.

## SCHEDULE OF FORMS

THIS POLICY IS SUBJECT TO A SEMI ANNUAL AND FINAL AUDIT REPORT REVISION DUE WITHIN 30 DAYS AT THE END OF THE SEMI ANNUAL PERIOD FROM INCEPTION AND AT TERMINATION, CANCELLATION OR EXPIRATION OF THE POLICY.		
X	IL DS 0002 0419	Common Policy Declarations
X	GL DS 04 0419	Commercial General Liability Declarations
	IL DS 0002 0419	Common Policy Declarations Extended Named Insured
X	GL 0567 0419	Scheduled List of Locations
<b>COMMERCIAL GENERAL LIABILITY FORMS:</b>		
X	GL 0223 1013	Asbestos Exclusion
X	GL 0235 1013	Lead Exclusion
X	GL 0319 0614	Exclusion - Punitive Damages
X	GL 0557 0419	Parking Operations Enhancement
X	GL 0558 0419	Limitation of Coverage to Designated Premises or Project(s)
X	GL 0559 0419	Parking Operations Errors and Omissions
X	GL 0560 0419	GarageKeepers Legal Liability Coverage
X	GL 0561 0419	Self Insured Retention Endorsement
X	GL 0562 0419	Damage to Property Exclusion - Bicycle Exception
	GL 0563 0419	Semi-Annual and Final Audit Reports
X	GL 0564 0419	Premium Audit Endorsement
X	GL 0565 0419	Radon Exclusion
	GL 0566 0419	Deletion of Coverages
	GL 0568 0419	Hired and Non-Owned Automobile Liability
X	GL 0597 0420	Quarterly Reports
X	IL 3068 0419	Minimum Earned Premium Endorsement
X	CG 00 01 04 13	Commercial General Liability Coverage Form
	CG 04 35 12 07	Employee Benefits Liability Coverage (CLAIMS MADE)
	CG 21 06 05 14	Exclusion – Access or Disclosure of Confidential or Personal Information and Data-Related Liability - With Limited Bodily Injury Exception
X	GL 0416 0615	Limited Exclusion – Access or Disclosure of Confidential or Personal Information and Data-Related Liability With Limited Bodily Injury Exception
X	CG 21 09 06 15	Exclusion – Unmanned Aircraft
X	CG 21 35 10 01	Exclusion – Coverage C – Medical Payments
X	CG 21 47 12 07	Employment Related Practices Exclusion
X	CG 21 55 09 99	Total Pollution Exclusion with Hostile Fire Exception
X	CG 21 67 12 04	Fungi or Bacteria Exclusion
	CG 21 71 01 15	Exclusion of Other Acts of Terrorism Committed Outside the United States; Cap on Losses From Certified Acts of Terrorism
X	CG 21 73 01 15	Exclusion of Certified Acts of Terrorism
	CG 21 76 01 15	Exclusion of Punitive Damages Related to a Certified Act of Terrorism
	CG 21 84 01 15	Exclusion of Certified Nuclear, Biological, Chemical or Radiological Acts of Terrorism; Cap on Losses From Certified Acts of Terrorism
	IL 09 85 01 15	Disclosure Pursuant to Terrorism Risk Insurance Act
	CG 22 68 09 97	Operation of Customers Autos On Particular Premises
X	CG 25 04 05 09	Designated Location(s) General Aggregate Limit
X	IL 00 17 11 98	Common Policy Conditions
X	IL 00 21 09 08	Nuclear Energy Liability Exclusion Endorsement
X	IL 3014 0914	Data Compromise Coverage - Response Expenses and Defense and Liability
X	IL 3029 0914	Identity Recovery Coverage - Identity Theft Case Management Service and Expense Reimbursement
X	IL 0019 1012	Service of Suit
<b>POLICYHOLDER NOTICES:</b>		
X	IL P 001 01 04	U. S. Treasury Department Office of Foreign Assets Control (OFAC) Advisory Notice to Policyholders
<b>STATE SPECIFIC AND OTHER APPLICABLE FORMS:</b>		
X	IL 02 70 12 19	California Changes - Cancellation and Non-Renewal

## CONDITIONS

This Company binds the kind(s) of insurance stipulated on page 1 of this form. The Insurance is subject to the terms, conditions and limitations of the policy(ies) in current use by the Company.

This binder may be cancelled by the Insured by surrender of this binder or by written notice to the Company stating when cancellation will be effective. This binder may be cancelled by the Company by notice to the Insured in accordance with the policy conditions. This binder is cancelled when replaced by a policy. If this binder is not replaced by a policy, the Company is entitled to charge a premium for the binder according to the Rules and Rates in use by the Company.

### Applicable in Arizona

Binders are effective for no more than ninety (90) days.

### Applicable in California

When this form is used to provide insurance in the amount of one million dollars (\$1,000,000) or more, the title of the form is changed from "Insurance Binder" to "Cover Note".

### Applicable in Colorado

With respect to binders issued to renters of residential premises, home owners, condo unit owners and mobile home owners, the insurer has thirty (30) business days, commencing from the effective date of coverage, to evaluate the issuance of the insurance policy.

### Applicable in Delaware

The mortgagee or Obligee of any mortgage or other instrument given for the purpose of creating a lien on real property shall accept as evidence of insurance a written binder issued by an authorized insurer or its agent if the binder includes or is accompanied by: the name and address of the borrower; the name and address of the lender as loss payee; a description of the insured real property; a provision that the binder may not be canceled within the term of the binder unless the lender and the insured borrower receive written notice of the cancellation at least ten (10) days prior to the cancellation; except in the case of a renewal of a policy subsequent to the closing of the loan, a paid receipt of the full amount of the applicable premium, and the amount of insurance coverage.

Chapter 21 Title 25 Paragraph 2119

### Applicable in Florida

Except for Auto Insurance coverage, no notice of cancellation or nonrenewal of a binder is required unless the duration of the binder exceeds 60 days. For auto insurance, the insurer must give 5 days prior notice, unless the binder is replaced by a policy or another binder in the same company.

### Applicable in Maryland

The insurer has 45 business days, commencing from the effective date of coverage to confirm eligibility for coverage under the insurance policy.

### Applicable in Michigan

The policy may be cancelled at any time at the request of the insured.

### Applicable in Montana

No binder shall be valid beyond the issuance of the policy with respect to which it was given or beyond 90 days from its effective date, whichever period is the shorter. If the policy has not been issued, a binder may be extended or renewed beyond such 90 days with the written approval of the insurer.

### Applicable in Nevada

Any person who refuses to accept a binder which provides coverage of less than \$1,000,000.00 when proof is required: (A) Shall be fined not more than \$500.00, and (B) is liable to the party presenting the binder as proof of insurance for actual damages sustained therefrom.

### Applicable in Oklahoma

All policies shall expire at 12:01 a.m. standard time on the expiration date stated in the policy.

### Applicable in Oregon

Binders are effective for no more than ninety (90) days. A binder extension or renewal beyond such 90 days would require the written approval by the Director of the Department of Consumer and Business Services.

### Applicable in the Virgin Islands

This binder is effective for only ninety (90) days. Within thirty (30) days of receipt of this binder, you should request an insurance policy or certificate (if applicable) from your agent and/or insurance company.

**BINDER**

07/01/2020

**FROM:**

Pat Lieske, VP Underwriter  
pat.lieske@axiscapital.com, 213-452-4713  
725 South Figueroa Street  
Suite 3800  
Los Angeles, CA 90017

**DELIVERED TO:**

Dave Weller  
AmWINS Insurance Brokerage of California, LLC [Los Angeles]  
444 South Flower Street, Suite 4500  
Los Angeles, CA 90071

***This binder expires in 60 days, or on the date the policy is issued, whichever is earlier  
(unless extended in writing by AXIS).***

**COVERAGE IS BOUND PURSUANT TO THE FOLLOWING TERMS AND CONDITIONS:**

<b>NAMED INSURED</b>	University of California Hastings College of Law 200 McAllister ST SAN FRANCISCO, CA 94102
<b>BROKER OF RECORD</b>	AmWINS Insurance Brokerage of California, LLC [Los Angeles] 444 South Flower Street, Suite 4500 Los Angeles, CA 90071

<b>INSURER</b>	AXIS Insurance Company (Admitted) 111 South Wacker Drive, Suite 3500 Chicago, IL 60606 (866) 259-5435 <b>A Stock Insurer</b>
<b>POLICY FORM</b>	AXIS PRO® PRIVASURE™ PVSR 101 0816
<b>POLICY NUMBER</b>	P-001-000373389-01
<b>POLICY PERIOD</b>	Effective Date: 07/01/2020 Expiration Date: 07/01/2021 <i>Both dates at 12:01 a.m. standard time at the Named Insured's address stated herein.</i>



<b>TOTAL POLICY PREMIUM</b>	<b>\$15,730.00</b>
<b>MINIMUM EARNED PREMIUM</b> <i>(percentage of Total Policy Premium)</i>	N/A
<b>TERRORISM PREMIUM FOR CERTIFIED ACTS OF TERRORISM</b> <i>(included in Total Policy Premium)</i>	Included for no additional premium

POLICY LIMIT OF INSURANCE AND RETENTION	
<b>Policy Limit</b> <i>(applicable to all coverages unless otherwise noted)</i>	<b>\$2,000,000 Aggregate</b>
<b>Policy Retention</b>	<b>\$25,000 Aggregate</b>

Cyber Liability Coverages	Coverage Trigger	Retroactive Date	Coverages Aggregate Limit	Coverages Aggregate Retention
			<b>\$2,000,000 Aggregate</b>	<b>\$25,000 Aggregate</b>
			Limit	Retention
Enterprise Security Event Liability	Claims Made	Full Prior Acts	\$2,000,000 Each Claim	\$25,000 Each Claim
Payment Card Industry – Data Security Standards (PCI-DSS) Fines	Claims Made	Full Prior Acts	\$2,000,000 Each Claim Sublimit	\$25,000 Aggregate
Privacy Regulation	Claims Made	Full Prior Acts	\$2,000,000 Each Claim	\$25,000 Each Claim
Media Liability	Claims Made	Full Prior Acts	\$2,000,000 Each Claim	\$25,000 Each Claim

Cyber First Party Coverages	Coverages Aggregate Limit	Coverages Aggregate Retention
	<b>\$2,000,000 Aggregate</b>	<b>\$25,000 Aggregate</b>
	Limit	Retention
Crisis Management Expense	\$2,000,000 Aggregate	\$25,000 Aggregate
Fraud Response Expense	\$2,000,000 Aggregate	\$25,000 Aggregate



Public Relations Expense	\$2,000,000 Aggregate	\$25,000 Aggregate
Forensic and Legal Expense Includes PCI Re-Certification Services	\$2,000,000 Aggregate	\$25,000 Aggregate
Extortion Loss	\$2,000,000 Aggregate	\$25,000 Aggregate
Extortion Threat Reward Reimbursement Expense	\$50,000 Aggregate Sublimit	\$0 Aggregate
Cryptojacking Coverage	\$250,000 Aggregate	\$25,000 Each Cryptojacking Incident
Ransomware Loss	\$2,000,000 Aggregate Sublimit	\$25,000 Aggregate
Social Engineering Fraud Loss	\$250,000 Aggregate	\$25,000 Aggregate
Telecommunications Theft Loss	\$250,000 Aggregate	\$25,000 Aggregate

Business Interruption Coverages	Coverages Aggregate Limit	
	\$2,000,000 Aggregate	
	Limit	Retention
Business Interruption – Service Disruption	\$2,000,000 Aggregate	Hourly Cap: NA Waiting Period: 8 Hours
Business Interruption – System Disruption	\$2,000,000 Aggregate	Hourly Cap: NA Waiting Period: 8 Hours
Business Interruption – System Failure	\$2,000,000 Aggregate	Hourly Cap: NA Waiting Period: 8 Hours
Data Recovery Expense	\$2,000,000 Aggregate	\$25,000 Aggregate

EXTENDED REPORTING PERIOD OPTIONS (applicable to claims made coverages)	
Year	Percentage of Annualized Claims Made Premium
1 Year	100%
2 Year	150%
3 Year	200%



NOTICES TO INSURER	
<p><i>Send Notice of Claims To:</i></p> <p>AXIS Insurance Claims Department P.O. Box 4470 Alpharetta, GA 30023-4470</p> <p>Email: <a href="mailto:USFNOL@axiscapital.com">USFNOL@axiscapital.com</a> Phone (Toll-Free): (866) 259-5435 Phone: (678) 746- 9000 Fax: (866) 770-5629</p>	<p><i>Send All Other Notices And Inquiries To:</i></p> <p>AXIS Insurance 10000 Avalon Blvd. Suite 200 Alpharetta, GA 30009</p> <p>Email: <a href="mailto:notices@axiscapital.com">notices@axiscapital.com</a> Phone (Toll-Free): (866) 259-5435 Phone: (678) 746- 9000 Fax: (678) 746-9444</p>

[CLICK HERE FOR REQUESTED APPLICATIONS AND SUPPLEMENTS](#)

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If any item requested above is not received, reviewed and accepted by AXIS underwriters and acknowledged as such in writing by the above specified date, then this binder and any policy issued will be automatically deemed void ab initio (as if it had never existed) with no effect. The payment of premium or the issuance of any policy shall not serve to waive the above requirements.

Please note that a condition precedent to coverage under this binder is that no material change in the risk occurs and no submission is made to the insurer of a claim or circumstances that might give rise to a claim between the date of this binder and the inception of the policy.

For additional information about AXIS PRO® products, please visit our website [here](#).





SCHEDULE OF FORMS & ENDORSEMENTS		
Policyholder Notices and Policy Forms		Form Number and Edition Date
Policyholder Notice - Economic And Trade Sanctions		AXIS 906 0316
California Disclosure Notice Regarding Calculation Of Return Premium In Event Of Cancellation		AXIS CA901 0815
Policyholder Disclosure - Notice Of Terrorism Insurance Coverage		TRIA DISCLOSURE 0115
Policyholder Notice - Service Providers		AXIS 1010710 0117
Policyholder Notice - AXIS eRisk Hub®		AXIS 143 0915
AXIS PRO® PRIVASURE™ POLICY		PVSR 101 0816
Endorsements		Form Number and Edition Date
1	Payment Card Industry Data Security Standards (PCI-DSS) Coverage Endorsement	AXIS 1010033 0919
2	Ransomware Loss Coverage Endorsement	AXIS 1010034 0919
3	Social Engineering Fraud Coverage Endorsement	AXIS 1010035 0917
4	Telecommunications Theft Loss Coverage Endorsement	AXIS 1010036 0919
5	Extortion Threat Reward Reimbursement Expense Coverage Endorsement	AXIS 1010037 0919
6	PCI Re-Certification Services Expense Change Endorsement	AXIS 1010038 0919
7	Comprehensive Business Interruption Coverage Including Voluntary Shutdown Endorsement	AXIS 1011970 0919
8	Cryptojacking Endorsement	AXIS 1011974 0919
9	Cancellation And Nonrenewal Endorsement - California	AXIS 801CA 0615
10	Media Liability Coverage Endorsement	PVSR 321A 0418
11	Reputational Loss Coverage Endorsement - \$2M Sublimit	AXIS 303D 0320
12	Invoice Manipulation - \$100K Sublimit	AXIS 1011765 1219

# CHUBB®

Chubb Excess and Surplus Insurance Services, Inc.  
555 S. Flower Street, 3rd Floor  
Los Angeles, CA 90071  
CA License #0594384

## Premises Pollution Liability Insurance Policy (claims-made coverage)

### Coverage Binder

#### CHUBB ENVIRONMENTAL

**DATE:** 06/30/2020  
**TO:** Jo Anne M. Roque  
Alliant Insurance Services Inc  
100 Pine Street, 11Th Floor  
San Francisco, California 94111  
jroque@alliant.com

**BINDER # 1**(This Binder supersedes and replaces Binder #n/a dated n/a.)

**INSURER:** Illinois Union Insurance Company  
**A.M. BEST RATING:** A++ XV  
**FIRST NAMED INSURED:** University of California Hastings College of Law  
**ADDRESS:** 200 McAllister St  
San Francisco, California 94102  
**HOME STATE:** California  
**POLICY NUMBER:** PPL G7154204A 002  
**INCEPTION DATE:** 07/01/2020  
**EXPIRATION DATE:** 07/01/2021

#### BOUND COVERAGES

- ☒ **A. POLLUTION CONDITIONS OR INDOOR ENVIRONMENTAL CONDITIONS COVERAGE**  
☒ **B. TRANSPORTATION COVERAGE**  
☒ **C. NON-OWNED DISPOSAL SITE COVERAGE**

#### RETROACTIVE DATES:

##### Coverage A

Premises Pollution Condition Liability:	07/01/2011
Premises Indoor Environmental Condition Liability:	07/01/2011
Premises Pollution Condition First-Party Claims:	07/01/2011
Premises Indoor Environmental Condition First-Party Claims:	07/01/2011

##### Coverage B

Transportation Liability:	07/01/2011
Transportation First-Party Claims:	07/01/2011

##### Coverage C

Non-Owned Disposal Sites Liability:	07/01/2011
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If "**FULL RETRO**" is indicated in the Retroactive Date column above, then retroactive coverage is afforded pursuant to this Policy for that specific exposure, subject to any other corresponding exposure-specific Retroactive Date added to this Policy by endorsement.

<b>POLICY LIMITS:</b>	\$2,000,000	Per Pollution Condition or Indoor Environmental Condition Limit of Liability
	\$2,000,000	Aggregate Limit of Liability for all Pollution Conditions or Indoor Environmental Conditions
<b>RETENTION AMOUNT:</b>	\$100,000	Per Pollution Condition or Indoor Environmental Condition
	10 days	Deductible for Business Interruption loss Per Pollution Condition or Indoor Environmental Condition
<b>PREMIUM:</b>	\$9,963	

The premium in this binder includes commission in an amount equal to 17.0% of such premium.

**COMMISSION:** 17.0%

**TERMS & CONDITIONS: PF-44887b (08/18) Premises Pollution Liability Insurance Policy**

As per quotation #1, dated 05/15/2020.

\*☒ *THIS PREMIUM DOES NOT INCLUDE A CHARGE FOR TERRORISM COVERAGE. SUCH COVERAGE WAS REJECTED BY THE INSURED.*

Coverage will be provided on a surplus lines basis. Collection and filing of all taxes and fees is the responsibility of the broker. Please forward a copy of your surplus lines license for our records.

OFAC NOTICE: The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency." OFAC has identified and listed numerous Foreign agents, Front organizations, Terrorists, Terrorist organizations, and Narcotics traffickers as "Specially Designated Nationals and Blocked Persons." This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>. In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance, has violated U.S. sanctions law or is a Specially Designated National or Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

The U.S. Foreign Account Tax Compliance Act, commonly known as "FATCA", became the law in the U.S. in March of 2010 and becomes effective July 1, 2014. Pursuant to FATCA, brokers, producers, agents and/or clients may need to obtain withholding certificates from insurance companies. For information on how to obtain the applicable withholding certificate from Chubb U.S. insurance companies, please go to <http://www2.chubb.com/us-en/u-s-foreign-account-tax-compliance-act-fatca.aspx>.

Please read this binder carefully, as the limits, coverage and other terms and conditions may vary significantly from those requested in your submission and/or from the expiring policy. Terms and conditions that are not specifically mentioned in this binder are not included. The terms and conditions of this binder supersede the submitted insurance specifications and all prior proposals and binders. Actual coverage will be provided by and in accordance with the policy as issued.

The insurer is not bound by any statements made in the submission purporting to bind the insurer unless such statement is reflected in the policy or in an agreement signed by someone authorized to bind the insurer.

This binder has been constructed on reliance of the data provided in the submission. A material change or misrepresentation of that data voids this binder.

eDELIVERY NOTICE: Acceptance of this quote indicates the insured's consent to accept delivery of the policy by electronic means, including delivery of the policy as an e-mail attachment. We will deliver the policy to the email address shown above. If the insured would like to withdraw their consent to electronic delivery and exclusively receive a printed paper copy of the policy, please contact the undersigned.

COVERAGE IS NOW BOUND; THEREFORE, THE PREMIUM INDICATED ON THE BINDABLE QUOTATION MUST BE REMITTED TO US WITHIN THIRTY (30) DAYS FROM THE DATE OF THE INVOICE AS OUTLINED ON YOUR AGENCY'S MONTHLY STATEMENT BILL.

Thank you for placing your business with us. For underwriting questions or concerns, please contact Carlita Berrios at 2136125442 (phone) or carlita.berrios@chubb.com (email).

Chubb Environmental

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Chubb Excess and Surplus Insurance Services, Inc.

CA Surplus Lines Broker License #0134929

## **POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act.* The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury---in consultation with the Secretary of Homeland Security, and the Attorney General of the United States---to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

**YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015, 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017, 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 and 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.**

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

We are providing you with the terrorism coverage required by The Act. The premium for the coverage is set forth below.

Terrorism Risk Insurance Act premium: \$ 498

☒ **THIS PREMIUM DOES NOT INCLUDE A CHARGE FOR TERRORISM COVERAGE. SUCH COVERAGE WAS REJECTED BY THE INSURED**

# Illinois Union

INSURANCE COMPANY

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525 W. Monroe Street, Suite 400  
Chicago, IL 60661

**POLICY NO.** G7154204A 002

**NAME OF INSURED:** University of California Hastings College of Law

200 McAllister St  
**ADDRESS:** San Francisco, California 94102

We are pleased to enclose your binder for this account.

Please be advised that by binding this risk with the above referenced Surplus Lines Insurance Company, you agree that as the Surplus Lines Broker responsible for the placement of this insurance policy, it is your obligation to comply with all States Surplus Lines Laws including completion of any declarations/affidavits that must be filed as well as payment of any and all Surplus Lines taxes that must be the remitted to the State(s). We will look to you for indemnification if controlling Surplus Lines Laws are violated by you as the Surplus Lines broker responsible for the placement.

*The Surplus Lines Broker further confirms that this risk has been declined by three admitted carriers not including any insurer affiliated with the Surplus Lines Insurance Company, or is on the applicable state exportable list.*

Thank you for this placement and your regulatory compliance.

Date: 06/30/2020

CHUBB®

Chubb Environmental

IN THE EVENT OF AN

## ENVIRONMENTAL EMERGENCY:

- 1) Follow your company procedures for reporting and responding to an incident***
- 2) Alert local emergency authorities, as appropriate***
- 3) Report the incident to Chubb Environmental through the **Environmental Incident Alert** system by one of the following methods:***

**Phone: 888-310-9553**

**Website: [www.chubbeia.net](http://www.chubbeia.net)**

### Mobile Incident Reporting:



Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident. You will be contacted by a trained representative of Chubb to discuss further response steps as soon as possible.

**DO follow your company's detailed response plan**  
**DO contact your management as well as appropriate authorities**  
**DO ensure anyone who could come in contact with a spill or release is kept away**

**DO NOT ignore a potential spill or leak**  
**DO NOT attempt to respond beyond your level of training or certification**

# CHUBB® CHUBB ENVIRONMENTAL FIRST NOTICE OF LOSS FORM

**SEND TO:** Chubb Environmental Claims Manager

**BY MAIL:** Chubb Claims, P.O. Box 5103, Scranton, PA 18505-0510

**BY FAX:** (800) 951-4119

**BY EMAIL:** [CasualtyRiskEnvironmentalFirstNotice@chubb.com](mailto:CasualtyRiskEnvironmentalFirstNotice@chubb.com)

**Today's Date:** \_\_\_\_\_

**Notice of:** (check all that apply)

☐ Pollution Incident

☐ Potential Claim

☐ Other \_\_\_\_\_

☐ Third-Party Claim

☐ Litigation Initiated

## Insured's Name & Contact Information

Company Name: \_\_\_\_\_ Point of Contact: \_\_\_\_\_

Address: \_\_\_\_\_

Phone #: \_\_\_\_\_

## Broker/Agent's Name & Contact Information

Company Name: \_\_\_\_\_ Point of Contact: \_\_\_\_\_

Address: \_\_\_\_\_

Phone #: \_\_\_\_\_

## Policy Information

Policy Number: \_\_\_\_\_ Policy Period: \_\_\_\_\_

Limits of Liability: \_\_\_\_\_ per \_\_\_\_\_ agg Self-Insured Retention/Deductible \_\_\_\_\_

## Loss Information

Date of Incident/Claim: \_\_\_\_\_ Location: \_\_\_\_\_

Claimant Name/Address: \_\_\_\_\_

Description of Loss: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Please list all attached or enclosed documentation: ☐ (check if none provided) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Name of Person Completing This Form: \_\_\_\_\_ Signature: \_\_\_\_\_



## REPORT ITEM

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Listing of Checks and Wire Transfers over \$50,000
3. **REPORT:**

Listed below are checks & electronic transfers issued by the College for the period of April 27, 2020 through July 31, 2020.

Date	Check/ Electronic Transfers No.	Vendor	Amount	Description
04/30/20	0274833	TOWNSHIP BUILDING SERVICES, INC.	\$69,938.95	Campus wide janitorial services – Jan & Feb 2020
05/05/20	E0057161	AVIDEX INDUSTRIES, LLC	\$289,489.92	Audio Visual Classroom Equipment for 333 GG
05/08/20	0275020	HEWLETT-PACKARD	\$63,981.93	Computer hardware 333 GG and 5 year service warranty
05/14/20	0275092	LR TELECOM	\$57,386.50	IT wiring for 200 McAllister 6 <sup>th</sup> floor data upgrade
05/19/20	ACH2147	REGENTS UNIVERSITY CALIFORNIA	\$3,676,143.54	Payroll reimbursement for May-June 2020
05/19/20	E0058016	ROEBUCK CONSTRUCTION, INC.	\$340,874.99	1st floor tenant improvement - 200 McAllister -April 2020
05/26/20	0275107	GEORGE S. HALL, INC.	\$51,626.52	Tower Engineering services-April 2020
05/26/20	0275126	TOWNSHIP BUILDING SERVICES, INC.	\$86,125.53	Campus wide janitorial services-May 2020
05/28/20	9005661	WELLS FARGO BANK, N. A.	\$111,794.56	P Card expenses- PAYIT April 2020
06/02/20	E0058156	KONE INC.	\$63,241.05	Tower Elevator Repair – April 2020
06/09/20	E0058207	AVIDEX INDUSTRIES, LLC	\$269,999.67	Audio Visual Classroom Equipment for 333 GG – April 2020 progress payment
06/12/20	0275216	TOWNSHIP BUILDING SERVICES, INC.	\$99,131.53	Campus wide janitorial services-June 2020
06/26/20	0275247	GEORGE S. HALL, INC.	\$51,626.52	Engineering services- May 2020
06/30/20	E0058337	THOMAS SWAN SIGN CO. , INC.	\$56,354.90	333 GG Donor and Building Signage
07/02/20	E0058375	REGENTS UNIVERSITY CALIFORNIA	\$68,314.64	Annual MOU - Time Reporting Services (TRS)
07/10/20	0275287	CSAC EXCESS INSURANCE AUTHORITY	\$92,358.00	Additional Worker Compensation Insurance July 2020 – June 2021
07/10/20	E0058380	TIBA PARKING SYSTEMS, LLC	\$130,311.30	Parking Garage payment system equipment and installation progress payment.

<b>Date</b>	<b>Check/ Electronic Transfers No.</b>	<b>Vendor</b>	<b>Amount</b>	<b>Description</b>
07/10/20	9005687	WELLS FARGO BANK, N. A.	71,380.42	P Card expenses- PAYIT -June 2020
07/14/20	E0058398	ELLUCIAN INC.	\$381,006.00	Fiscal Services General Ledger - Managed Cloud System
07/14/20	E0058410	UCSF POLICE DEPARTMENT	\$567,702.75	Campus security - January thru May 2020
07/17/20	0275321	MF DIGITAL MARKETING, INC.	\$59,092.00	Monthly media buy for MSL online marketing strategy
07/17/20	0275325	PG&E	\$56,051.86	Utility payment for May 2020
07/17/20	0275332	SHI INTERNATIONAL	\$67,254.96	Information Technology Assets
07/21/20	E0058445	ROEBUCK CONSTRUCTION, INC.	\$440,447.85	1st floor tenant improvement project 200 McAllister January 2020
07/24/20	0275335	REGENTS UNIVERSITY CALIFORNIA	\$3,012,567.02	Payroll reimbursement for April 2020
07/24/20	0275340	BUREAU NATIONAL AFFAIRS, INC.	\$61,780.87	Library Online news service
07/24/20	0275351	GEORGE S. HALL, INC.	\$53,930.42	Engineering services- June 2020
07/24/20	0275353	LEXISNEXIS MATTHEW BENDER	\$53,570.04	Electronic Law library Service FY 20-21
07/24/20	0275355	MIGALE PAINTING	\$53,899.00	Painting offices 200 & 100 McAllister
07/28/20	E0058469	EX LIBRIS INC.	\$84,161.62	Online library subscription service
07/28/20	E0058476	MKTHINK	\$64,261.59	Architecture and Design services 200 McAllister